Daily Report

Latin America

FBIS-LAT-89-047
Monday
13 March 1989

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FBIS-LAT-89-047 *13 March 1989*

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Reportage on Group of Eight Meeting in Venezuela

Meeting Opens in Puerto Ordaz

PA1003160889 Hamburg DPA in Spanish 1511 GMT 10 Mar 89

[Text] Caracas, 10 Mar (DPA)—The Group of Eight foreign ministers meeting began in the Venezuelan city of Puerto Ordaz today. Six foreign ministers and a senior official of the Brazilian Foreign Ministry are attending the meeting.

The deliberations—which will be chaired by Venezuelan Foreign Minister Enrique Tejera Paris—will be held behind closed doors and will end tomorrow with an official declaration.

The agenda includes the foreign debt, follow-up on the Latin American integration process, and the position the foreign ministers will take at the April meeting with their EEC counterparts in Granada, Spain.

Upon entering the Puerto Ordaz Intercontinental Hotel where the meeting is taking place, the foreign ministers made very brief comments to the press, saying only that statements will be made when the meeting ends.

The participants are: Argentine Foreign Minister Dante Caputo, Colombian Foreign Minister Julio Londono, Peruvian Foreign Minister Guillermo Larco, Mexican Foreign Secretary Fernando Solana, Uruguayan Foreign Minister Luis Barrios, and Venezuelan Foreign Minister Enrique Tejera Paris. Panama is still absent from the Group of Eight.

[Paris AFP in Spanish at 1543 GMT on 10 March in a similar report adds that Brazil is represented by Deputy Foreign Minister Luis Felipe Lampreia, who is filling in for Foreign Minister Roberto de Abreu Sodre, who is ill.]

Rio Document on Debt Released

PA1103040289 Hamburg DPA in Spanish 0252 GMT 11 Mar 89

[Text] Puerto Ordaz, Venezuela, 10 Mar (DPA)—The Rio de Janeiro document on foreign debt, signed by the Group of Eight finance and economy ministers on 12 December, was officially released for the first time today during a meeting of foreign ministers in the Venezuelan city of Puerto Ordaz.

Although some of the basic features of the document had been known beforehand, the text had remained unpublished 3 months after it was drafted because there had been no meeting of foreign ministers during that time. Moreover, as the foreign ministers confirmed, the presidents of the countries concerned had not discussed the subject until February during the inauguration of Venezuelan President Carlos Andres Perez.

By coincidence, U.S. Secretary of the Treasury Nicholas Brady also outlined a new foreign debt plan today. The U.S. document apparently contains several of the suggestions made in the Rio document.

After a brief analysis of the imbalances that the debt creates in underdeveloped countries, the finance ministers' document presents "a new approach to the problem."

The document states that negotiations should be directed toward two basic objectives: reduction of debt service and ensured continuity of financing.

"Negotiations should seek to create a general framework for reducing the debt, or service on the debt, within an institutional climate that encompasses all the participants," the document states. In this regard, it lists six points:

1. Institutional framework: This could be established within existing multilateral financial organizations, or an institution could be created for the purpose.

2. Capitalization: Contributions should come from industrialized countries, with a minority participation by the debtor countries. The establishment of guarantees or a special allotment (the Mitterrand proposal) could be a part of the solution.

3. Operational mechanism: This could involve the exchange of promissory notes for bonds, with a discount from the nominal value and market rate, or for the same nominal value with a discount coupon, or a combination of both. The bonds could be issued by the guarantor institution itself on behalf of the debtor country with the institution's guarantee.

4. Extent of the discount: For each country that decides to participate, the reduction of the debt should be based on the value of the debt on the secondary market, as well as the country's ability to pay without detriment to its legitimate investment needs.

5. Conditions: Access to the reduction in debt servicing offered by this mechanism would be a part of reform programs to be implemented by the debtor countries with the basic intention of restoring their growth rates. Those programs must include realistic goals within reasonable periods and contingency mechanisms for handling unforeseen situations.

6. Participation: The basic criterion is consensus. However, participation will be voluntary. Mechanisms will be established to prevent nonparticipating creditors from obtaining benefits from the program. The governments of industrialized countries should promote modifications to their regulatory, accounting, and fiscal systems so as to effectively encourage commercial banks to participate.

In another section, the document gives the following five recommendations to confront the doubts generated by the present negotiation strategy, the lack of continuity in the flow of foreign credit, and the impact of other factors:

1. Establish credit mechanisms to include multiannual periods with long-term amortization and interest payments.

2. Create contingent automatic mechanisms to confront the outside factors that tend to increase real fund transfers (interest rates, exchange terms, and commercial protectionism) out of the country.

3. Ensure that new credits from official sources contribute to growth with addtional resources and do not substitute one financing source for another.

4. Make the financing policies with bilateral and multilateral credit organizations more flexible to allow for the positive transfer of resources from these organizations to the countries in the region.

5. Attain an increase of resources from the Inter-American Development Bank quickly so this institution can increase its regional credit programs and return the net fund transfers that are to be increasingly positive.

The foreign ministers wrote an introduction to the Rio document in which they highlighted "two simultaneous realities: underdevelopment and democracy."

The ministers noted that democratic processes in the subcontinent have never been so noticeable but warned of the dangers poverty can bring to the liberties attained.

The document's introduction states: "Ours are poor democracies. In reality, we are a phenomenon that has not previously occurred. We are not used to reflecting on this phenomenon, much less acting upon it, because it is the first time there is so much liberty threatened by so much poverty."

The foreign ministers' meeting ended this evening—24 hours before schedule. The meeting's participants were: Dante Caputo for Argentina; Julio Londono Paredes for Colombia; Guillermo Larco for Peru; Fernando Solanas for Mexico; Luis Barrios for Uruguay; Enrique Tejera Paris for Venezuela; and Brazilian Foreign Ministry high official Luis Felipe Lampreia for Brazil.

Ministers Discuss 'Brady Plan'

PA1203160389 Hamburg DPA in Spanish 1516 GMT 12 Mar 89

[Text] Caracas, 11 Mar (DPA)—Venezuelan media today gives full coverage to the conclusion of the Group of Eight foreign ministers meeting 24 hours before the scheduled time, a meeting in which the foreign ministers agreed that democracy in Latin America practically depends on the debt problem.

Yesterday, Foreign Ministers Dante Caputo of Argentina, Julio Londono of Colombia, Guillermo Larco of Peru, Fernando Solanas of Mexico, Luis Barrios of Uruguay, and Enrique Tejera Paris of Venezuela, and Brazilian Foreign Ministry Deputy Secretary for Bilateral Affairs Luis Felipe Lampreia met all day in Puerto Ordaz, an important city in Bolivar Province, where their main points of discussion were the debt issue and the agenda they will present to their EEC counterparts at the 15 April meeting in Granada, Spain.

"The ill-fated forecast that the foreign debt is no longer only a monetary problem but has become a serious political problem threatening democratic Latin American regimes has been agreed upon," Colombian Foreign Minister Londono Paredes said.

Peruvian Foreign Minister Guillermo Larco maintained that the problem has reached such levels that even IMF Director Michael Camdessus has noted the need to review the debt payment concept.

He also referred to the recent incidents that affected Venezuela last week in which hundreds were killed, which he believes were generated by the socioeconomic difficulties the country is facing.

"I believe the time has come for creditor countries to share the responsibility, particularly now that a new bloody explosion has taken place, which lends a dramatic touch to the need to review the old proposals for paying the foreign debt," he added.

Luis Felipe Lampreia stated that if a formula is not attained to solve the debt problem, "Latin America would be facing a very serious threat of social and economic chaos that would affect democratic institutions."

"A number of negotiations with the commercial banks are being studied that would permit adjustments to the already existing agreements to solve this problem that is suffocating countries in the area," he added.

He maintained, as did Larco, that the social explosion in Venezuela is "dramatic evidence" of the need to find a solution to the debt pressure.

Venezuelan President Carlos Andres Perez also traveled to Puerto Ordaz yesterday, where he said the new U.S. proposal being analyzed to face the debt problem, known as the "Brady Plan," (by U.S. Treasury Secretary Nicholas Brady) "does not fulfill the aspirations of debtor countries," although "it is encouraging" because "it recognizes fundamental issues that have been proposed by Latin American countries."

"This opening leads us to a dialogue with the Bush government to reach a better understanding of the situation we are enduring," he said, adding that the proposal also helps the United States understand better the urgent

needs that "now make it necessary to find a solution to the problems that are becoming the main obstacle in solving the crisis we are facing."

The Brady plan proposes among other things allotting and increasing IMF and World Bank funds at low interest rates to reduce the debt. This new plan leaves behind the Baker plan, which also proposed that private banks and multilateral institutions grant additional loans but at the cost of the people's sacrifice.

The foreign ministers meeting concluded last night with the publication of the Rio De Janeiro (Brazil) document on the foreign debt signed by the treasury and economic ministers on 12 December 1988.

'Enthusiastic' About Plan

PA1203192389 Buenos Aires REUTER in Spanish 1818 GMT 12 Mar 89

[Report by Keith Grant]

[Text] Ciudad Guayana, Venezuela, 10 Mar [date as received] (REUTER)—Latin American governments are enthusiastic about Washington's new proposal for alleviating the region's foreign debt and consider the proposal a positive contribution to a solution of the crisis, but there are still doubts about how effective it will be.

Foreign ministers and other officials of the Group of Eight Latin American countries—which represent almost 80 percent of the region's $401-billion debt—declared on 10 March after a meeting in Ciudad Guayana that Washington's plan is a step in the right direction.

"This represents an important change of attitude on the part of an important creditor," Mexican Foreign Minister Fernando Solana told REUTER.

For the first time, Washington has accepted the premise of reducing the debt as a complement to the strategy outlined in October 1985 by then Secretary of the Treasury James Baker.

However, Venezuelan President Carlos Andres Perez, whose country was shaken by a serious social outburst early this month, feels Latin America cannot wait for the Brady plan, as presently designed, to bear fruit.

"The plan presumes Latin American countries can still wait months or years for a basic solution to the debt problem," Perez said in Ciudad Guayana.

The proposal announced on 10 March by Nicholas Brady, Baker's successor, recognizes some of the objectives pursued by Latin America. Moreover, participants in the meeting here feel the plan acknowledges the legitimacy of the demands made by the debtor countries over the past few years.

"I would even go so far as to say the Brady plan is a direct response to the Group of Eight's proposals," Venezuelan Foreign Minister Enrique Tejera Paris said.

The Group of Eight's finance ministers approved a Latin American proposal on the debt in Rio de Janeiro in December, and the participants in the Ciudad Guayana meeting agreed to promote that Latin American proposal in upcoming meetings of the Inter-American Development Bank (IDB) and the acting IMF committee.

The Rio document does not contain the harsh terms used in previous Latin American declarations, such as warnings of unilateral suspension of payments in the event the negotiations fail.

Peruvian Foreign Minister Guillermo Larco Cox said he could not state that the Rio document was the main factor that led to Washington's proposal but that the document undoubtedly had an impact on creditors' thinking.

The unexpected disturbances in Venezuela last week, where at least 250 people were killed, was another contributing factor. Debtor countries' officials were shaken by the violence that erupted in what had been the most stable Latin American democracy.

Nevertheless, the officials, who were meeting in Ciudad Guayana, were cautious in deciding if the Brady plan was really the needed step forward they all expected.

The officials' concern is centered on the collaboration expected of commercial banks. Commercial banks publicly supported the Baker plan 3 years ago and did not keep their commitment to grant new loans.

Perez stated that "the Brady plan assumes banks are going to accept conditions that apparently they have not yet accepted."

Although Brady proposed World Bank and IMF guarantees in his debt reduction plan—to give banks more incentives to buy the bonds to be issued by the debtor countries—a growing number of banks have greatly reduced the nominal value of the Third World countries' debts and may not be interested in buying long-term bonds from debtors.

The new Washington proposal supports the principle of a simultaneous debt reduction plan with new loans. This is something banks have not yet been willing to accept.

Brady stresses that the debt reduction plan will be approved for those countries that apply IMF economic reforms. The Rio document, however, says these reforms depend on the debtors and not on the IMF.

Solana, who until December was president of the National Bank of Mexico, the largest bank in the country, noted that the conditional nature of the proposal should not be an obstacle but should rather be "a matter that depends on the strategy of negotiation of each country."

Solana also said he believes the International Development Bank [IDB] would only have a marginal role in the debt strategy. The IDB, which will be holding its annual meeting next week in Amsterdam, has had to significantly reduce its loans because of a disagreement between the U.S. and Latin American governments on the right to vote.

Latin America now wants to speed up the approval of $24 million to replenish IDB resources, which is a decision that has been postponed for 2 years because of the dispute.

The Rio plan on the debt, entitled "Toward a New Approach," is based on what he termed two basic and complementary objectives: reduction in the debt servicing and continuation of the loans.

According to the plan, the new loans would replace old loans, canceled through debt reduction plans, with almost no variation in the total amount of the Latin American debt.

Ministers Issue 'Final Document'

PA1103232389 Madrid EFE in Spanish 2213 GMT 11 Mar 89

[Text] Puerto Ordaz (Venezuela), 11 Mar (EFE)—The foreign ministers of the "Group of Eight" issued a final document today following a 2-day meeting. The document contains few specific decisions.

The foreign ministers state their satisfaction with the improvement of the Central American situation and reiterate their intention to coordinate their policies on various international topics.

Foreign Ministers Dante Caputo of Argentina, Julio Londono of Colombia, Guillermo Larco of Peru, Fernando Solana of Mexico, Luis Barrios of Uruguay, Enrique Tejera of Venezuela, and Luis Felipe Lampreia, under secretary of the Brazilian Foreign Office, ended their fifth conference last night, 1 day ahead of schedule.

Tejera said the brevity of the conference was due to the consensus that prevailed at the meeting. The final communique was announced today, although the draft prepared in Rio de Janeiro, Brazil by the group's finance ministers was made available on Friday and an introduction by the foreign ministers was included.

In today's communique, the ministers "consider it advisable" to coordinate actions for the upcoming meeting of the international financial organizations and to "follow up" on the group's work prior to that time.

They also "recognized" the progress achieved in the dialogue with the European Community. The Group of Eight will meet with the 12 ministers of the European Community on 15 April in Granada, Spain, to deliver the documents prepared here and to propose, in general, a new and more favorable treatment of the foreign debt of the Latin American countries.

The foreign ministers noted that the Granada meeting "will provide a significant opportunity to strengthen dialogue on the international financial situation, foreign debt, interregional trade, and overall security."

Regarding the Central American situation, they noted their "satisfaction" with the outcome of the presidential "summit" held in El Salvador in February and the commitments made to dismantle the "contras," hold elections in Nicaragua, and develop political dialogue in El Salvador.

They also "noted with satisfaction" the progress achieved at the ministers conference of the European Community and the Central American and Contadora countries (Mexico, Colombia, Venezuela, and Panama) held last month in Honduras, during which more European aid was approved for the countries of the Central American isthmus.

Regarding Latin American integration, the foreign ministers "noted" the progress achieved in this regard and "reiterated their resolve to continue to promote it."

The Group of Eight foreign ministers said that the Latin American Integration Association (ALADI) and the Latin American Economic System (SELA) are the appropriate organizations through which to undertake such initiatives.

In the final document, the foreign ministers "stressed the importance" of the UN Convention against Drug Trafficking signed in Vienna last December and "expressed their intention to work for its prompt ratification."

The foreign ministers also said they were pleased with the implementation of the protocol of amendments to the OAS Charter and "reasserted" their desire to enhance the strength of the OAS." [quotation marks as received] In the document, the ministers also denounced the critical financial situations in their respective countries.

Regarding environmental issues, the Group of Eight foreign ministers agreed "to maintain an active process of consultation and to make joint efforts in that regard."

The ministers also expressed their "deep concern over the serious implications that arms trafficking has in terms of the stability of the region's democratic institutions and regional security."

The ministers said that arms trafficking "fosters subversion, terrorism, and violence" and they urged all weapons-supplying countries to adopt efficient measures to prevent clandestine weapon sales.

On 10 March, the Group of Eight foreign ministers released a document issued by the Group of Eight finance ministers. According to the explanations provided at the joint news conference given by the foreign ministers, the aforementioned document was kept secret until the presidents of the Group of Eight member countries studied it and until a regular Group of Eight meeting was held.

The text of the Group of Eight finance ministers' document says that the industrialized countries and international financial organizations must adopt a new credit policy toward the debtor countries and must offer better payment terms on the debt.

The introduction to that document—drafted by the foreign ministers in Puerto Ordaz—refers to the danger of the impoverishment experienced by the Latin American democracies as a result of the foreign debt. For the first time in the history of the continent, the document states that impoverishment is affecting almost the entire continent.

The foreign ministers also discussed the third Group of Eight meeting, which will be held in Peru in September or October of this year, and agreed that their next ministerial "summit" will be held in Colombia on 4 and 5 August, 1989.

The Group of the Eight was created in 1986 in Rio de Janeiro, and it is the result of the combining of the Contadora and Support Groups, whose main goal was the attainment of peace in Central America. The Group of Eight has held presidential meetings in Acapulco, Mexico in 1987 and in Punta del Este, Uruguay in 1988.

The participation of Panama, which is considered a member country of this group, has been temporarily "suspended" because of its internal political problems.

UN To Create Regional Verification Group

PA1103145089 Managua Radio Sandino in Spanish 1205 GMT 11 Mar 89

[Excerpts] The five Central American foreign ministers have been summoned by UN Secretary General Javier Perez de Cuellar to meet with a technical group to study the establishment of what will be a UN group of observers in Central America. The group will be known by the acronym ONUCA. During their 13 and 14 March meeting to be held in New York, the Central American foreign ministers and the UN group will finally implement the plan for the creation of ONUCA. ONUCA will supervise the implementation of certain provisions established in the Esquipulas II peace plan.

According to a document released yesterday at the United Nations and to which ANN and Radio Sandino had access, the UN Security Council has decided that the ONUCA will verify, for a 6-month period, that all aid to the rebel forces has stopped, that all rebel activities have ceased, and that no country is being used to launch attacks against another country. This group will be financed by the UN member states.

There are four vulnerable zones that the UN military observers will supervise in their attempt to implement the mechanisms for peace established in Esquipulas II. The group of military observers will carry out frequent visits to areas located between Honduras and Nicaragua, between Honduras and El Salvador, between Costa Rica and Nicaragua, and at the Gulf of Fonseca where El Salvador, Nicaragua, and Honduras share borders. Military observers from Canada, Spain, and the FRG will participate in the UN group. In addition, and at the request of the Central American governments, one or more representatives of the Group of Eight will also act as observers. [passage omitted]

At the request of the Central American governments, the United Nations will appoint approximately 100 military observers. They will be divided into six groups that will visit the areas when needed. They will be unarmed, a normal procedure for UN peace missions; however, they may request armed escorts from the host country when the need arises. The work to be done by the observers will depend greatly on the attitude assumed by the rebel groups and the Nicaraguan contras. These rebel groups must refrain from the use of force against the observers. [passage omitted]

UN Secretary General Javier Perez de Cuellar has warned that the goal of the UN peacekeeping force will not be to disarm the rebel groups in the area; instead it is hoped that its presence in areas of conflict will help curb the activities of those groups.

While the United Nations puts the final touches on the Esquipulas II verification mechanisms, former [Nicaraguan Resistance] Colonel Enrique Bermudez has reiterated in Washington that he is determined to purchase weapons from countries other than the United States in order to continue the war in Nicaragua.

Meanwhile, the Central American governments are working on a plan to relocate the [contra] rebels currently in Honduras. The Honduran people are demanding the immediate relocation of these rebels in light of the damage their presence has caused. According to the agreement signed by the Central American presidents during their Costa del Sol meeting in El Salvador, a plan for the relocation of the contras must be presented before 14 May at another summit to be held, most probably, in Tela, Honduras.

In the meantime, the Bush administration, accused of lacking a coherent policy toward Central America, is getting ready to ask Congress for more humanitarian aid for the contras. The allotted $27 million in aid will run out by the end of March. Democratic congressmen feel that the aid must be in accordance with the agreements for contra relocation and repatriation established in the Costa del Sol agreement.

Cuba

UN Human Rights Commission Meeting Ends

FL1103022089 Havana Television Service in Spanish 0100 GMT 11 Mar 89

[Report by special correspondent Pedro Martinez Pirez from Geneva]

[Text] The 45th session of the UN Human Rights Commission has ended in Geneva with the approval of a provisional program for 1990 and the report to the Economic and Social Council on the work carried out during this year's 6 weeks of work.

The most simple analysis of this session would show an obviously positive result, especially for Latin America and the Third World. They were able to approve, despite the bitter opposition of the United States and other capitalist countries, a resolution which proclaims the right for development. Naturally, it includes the consideration of the foreign debt matter. Perhaps this may be in general the most important achievement of the majority of the 43 members of this commission that are precisely part of the Third World.

The right of the peoples for free determination was reaffirmed and all kinds of colonial domination were condemned during this 45th session. The South Africa racist regime, the Israeli Zionist Government, the Augusto Pinochet dictatorship, and the pro-American and repressive government of Napoleon Duarte were justly placed on the defendants' stand.

However, the 45th session of the UN Human Rights Commission, which closed in Geneva only hours ago, will be marked by the spectacular setback of the U.S. anti-Cuban policy. Although it may seem a paradox, Geneva could also serve as an opportunity for the heirs of the Reagan era to figure out the high political, diplomatic, and moral cost a confrontation—based on infamy and strength—with Cuba brings. In our opinion, this is the main lesson of Geneva 89.

GRANMA on UN Meeting

FL1103160089 Havana Tele-Rebelde Network in Spanish 1400 GMT 11 Mar 89

[Text] Under the title of "The Ups and Downs of a Policy Without a Future," the GRANMA newspaper today reports on its first page that 3 consecutive years and 2 Republican administrations have not been enough for the U.S. Government to learn from its monumental errors. [Video gives close-up shot of newspaper headline]

A person who was one of the highest voices of Latin American poetry once wrote: Thursdays are witnesses. [sentence as heard] Parodying the poet, last Thursday, 9 March 1989, has to have been an exceptional Thursday, a witness to the debacle of the obtuse governors of Washington. On that day, continues GRANMA, the anti-Cuban stubbornness of the U.S. Government received an embarrassing triple-party defeat in the Oval Hall of the Palace of Nations in Geneva.

They had been warned since 1987. The world was rapidly ceasing to be the domestic corral that they twisted around their little finger during the Cold War. World condemnation against Cuba, directly or indirectly, for alleged violations of human rights was an impossible objective.

GRANMA later says that during one of the first votes Great Britain attempted to smuggle an amendment into the Latin American draft resolution. With treacherous phrasing, the deception attempted to continue the topic that coincided with the aspirations of the United States. As is known, the amendment did not receive a majority vote for its approval.

Then it was time to vote on the Latin American draft resolution and the vote was so resounding that even the U.S. Government preferred to adhere to the decision and avoid the scandal of isolation. This certainly unveiled its opportunistic and thoughtless attitude that characterized its positions just moments before the vote.

Even though it joined the Latin American consensus, the United States again appealed to its closest ally and proposed that a vote be taken on the original anti-Cuban draft. A procedural motion from Cuba, which was supported by Panama, Peru, Mexico, and Colombia, made it very clear that the Latin Americans rejected the unscrupulous scheme. Seconds later, the rest of the commission members made their rejection clear by defeating the U.S. pretense and preventing a vote on the Yankee draft. Even six of Washington's Western allies distanced themselves through an eloquent abstention. In less than 1 hour, the clumsy and stubborn policy of the United States, personified there by the ex-Batista policeman, Armando Valladares, and by General Vernon Walters, received a three-fold, humiliating defeat.

Since the very beginning of the works of the UN Human Rights Commission, the new U.S. Administration tried to include Cuba as a topic for discussion under Point 12 of the agenda, which is dedicated to examining the situation of serious human rights violations such as those that occur in South Africa, Israel, Chile, or South Korea. This pretense did not prosper.

The report issued by the mission of the UN Human Rights Commission, invited by Cuba, left no room for doubt that there are no violations of human rights on the island.

The U.S. delegation then mobilized all the resources of propaganda. They fabricated cases. They brought forth individuals who have been proved to be counterrevolutionaries. The delegation reported nonexistent figures on the number of prisoners, people who have been tortured or are missing, and they alleged persecution for political and religious reasons.

It was a useless effort. No Latin American or Third World state echoed this infamy during the debates. Even the representative of the Holy See himself gave a speech to the commission in which he shattered the hoax that there is a lack of religious liberty in Cuba when he welcomed the climate of detente [entendimiento] and comprehension between the Cuban Government and the church.

GRANMA then says that there have always been Third World countries, including Latin American members of the UN Human Rights Commission, who knew how to resist the pressure of the United States, thus confirming, by their positions, the sign of the times. Western allies of the Unites States demonstrated their lucidity by prudently separating themselves where possible from the vindictive stubbornness of the Washington representatives.

These new realities, continues GRANMA, cannot go unheeded by politicians and governments. Nevertheless, the United States continues not to see this. The George Bush administration made its debut in Geneva with a humiliating and embarrassing defeat by pursuing the same policy of its predecessor.

Obstinately following the route of the lie can become the poison hemlock in one's own cup.

The date of 9 March 1989 in Geneva will be recalled as a landmark for those who have been defeated, their moral crisis, and their orphaned arguments.

On a personal basis, Vernon Walters and Armando Valladares are accumulating some of the most regrettable records in international diplomacy. After 2 years of attempts, upon their third opportunity they made their classic third strike. In addition, the Human Rights Commission has recorded as a mark against the United States the topic of the foreign debt in relation to the enjoyment of human rights. This is their fourth strike.

The GRANMA newspaper concludes by saying: For an administration that is making its debut, the lesson it should learn from this experience is that the anti-Cuban policy has no future whatsoever and will sow failure after failure, especially if it follows the beaten paths of mediocre politicians and old policemen from the Batista dictatorship.

Castro Praises Outcome

PA1203214689 Madrid EFE in Spanish 2058 GMT 12 Mar 89

[Text] Havana, 12 Mar (EFE)—Cuban President Fidel Castro has praised the position of the Latin American countries that did not back a U.S. initiative that called for a UN human rights investigation in Cuba.

In remarks to the official Cuban AIN news agency, Castro said that "in Geneva, many were hamperd by dependence, debt, and loans, but Cuba received the support of the majority, despite some abstentions, and basically the Latin American position was firm."

The Cuban president added that "Cuba has dozens of doctors in other nations and scholarship students in more than 80 countries. In addition, it is the country with the highest number of scholarship students from other countries per capita; no matter how massive the Yankee propaganda may be, these are realities that the people understand."

Castro noted that "it is ridiculous that the country that is trying to deny these truths is the father of world hunger, the father of underdevelopment, exploitation, discrimination, and inequality."

"One has to see," he added, "the pressures that the United States—which controls the World Bank and the IMF and blackmails other countries—has applied. But despite the pressure and the tricks, the United States lost."

Yesterday the 45th session of the Human Rights Commission approved a resolution proposed by Mexico, Peru, Panama, and Colombia that "welcomes the will" of the Cuban Government to cooperate with the UN secretary general on human rights.

Commentators React to 'Defeat'

PA1203231589 Havana International Service in Spanish 0000 GMT 11 Mar 89

["Topics" segment with commentators Elena Nunez and Roberto Morejon]

[Text] [Morejon] Hello, friends. Here we are again with our weekly segment "Topics" in which we analyze very important international topics. Tonight, Elena Nunez and I of Radio Havana's commentary section would like to analyze with you the 45th UN Human Rights Commision session in Geneva, which has been very significant. The violation of human rights in countries such as South Africa, Chile, and the Arab territories occupied by the Zionists were analyzed at the meeting.

Most important, however, was the fact that the U.S. campaign against Cuba, the frantic U.S. attempts to pass an anti-Cuban motion, ended with a total defeat for the United States. As our listeners know, the 45th session ended with the approval of a Latin American motion presented by Panama and Mexico, among other countries, recognizing the collaboration given by Cuba to the work carried out by a commission that visited the country in 1988 to observe compliance with citizens' rights in Cuba.

In this regard, the commission presented a voluminous report that in no way indicates that human rights are violated in Cuba. However, the United States conducted

a desperate campaign at the UN Human Rights Commission's session that just ended in Geneva in an attempt to impose an anti-Cuban motion under the allegation that human rights are violated in Cuba. The meeting was politicized and for this the United States is solely responsible. The atmosphere of consensus that prevailed during the first week of the session went down the drain as a result of U.S. attempts to accuse Cuba without presenting evidence.

As you know, Elena, the United States presented several counterrevolutionary figures who had been in Cuban jails for committing crimes against state security. Many of them were even freed before completing their sentences. However, the United States took them to Geneva and they tried to say that their human rights had been violated. That was one of the U.S. maneuvers in Geneva. Would you like to add anything?

[Nunez] First, I would like to note how this U.S. maneuver in Geneva ended. It ended with three clear and overwhelming defeats. As you know, the first defeat was the voting... [rewords] a motion presented by the UK amending the Latin American proposal—which the Latin American countries and Cuba, of course, regarded as totally unacceptable—was rejected. The vote was 17 for, 17 against, and 8 abstentions; based on the commission's regulations, the proposal was rejected.

Later, the Latin American proposal that had been presented by Panama was voted on. It recognized Cuba's willingness to continue collaborating with the UN secretary general in all aspects relating to respect for human rights. It also said the UN secretary general would personally arrange those contacts with Cuba. The Latin American proposal was approved with 32 votes in favor.

I think there is something we must stress here, Roberto. It is the fact that the United States and its allies joined the majority—undoubtedly forced by the circumstances—in an attempt to distort the interpretation and spirit of the document. It must be noted tha. at no time did the text presented by Latin America mention any follow-up on the Cuban human rights situation or any new visit by a commision to our country, or even that the matter would be included on the commission's next agenda.

[Morejon] Which was exactly what the United States was trying to get the commission to approve. Hence, your mentioning of a triple defeat is very important, because one of those defeats was precisely that the United States was not able to impose in the motion that was finally voted on a follow-up on the compliance of citizens' rights in Cuba.

[Nunez] There was another aspect that surprised observers during the UN Human Rights Commission's session in Geneva. It was the fact that after the Latin American proposal was voted on and approved, the UK—induced, of course, by the United States—tried to have a vote on the original U.S. proposal. However, a large majority approved a motion calling for no action that was presented by Cuba. Why? Because it was senseless to try to approve a proposal after another one had been approved.

[Morejon] Before we end, I would like to stress one last topic. It is the fact that the Latin American proposal was supported by the great majority of Third World countries. In other words, this U.S. defeat and Cuba's resounding victory at the UN Human Rights Commission was supported by Latin American countries and by Third World countries. At no time did the United States have the votes of those countries in its attempt to pass an anti-Cuban motion.

Further Commentary Noted

FL1003175789 Havana Radio Progreso Network in Spanish 1200 GMT 10 Mar 89

[Unattributed commentary]

[Text] As it is already known in our country, the United States has been shamelessly and completely defeated again by Cuba at the UN Human Rights Commission in Geneva.

The miserable mockery against Cuba could not be carried out. The United States has once again bitten the dust of defeat. Once again, the most powerful imperialist state in history has choked on its own huge lies. As it has been said many times, this is, cannot be, and will not be the way in which the Yankee empire will be able to dominate Cuba.

The United States has again shown in Geneva, at the highest level, its prepotency and arrogance, its repugnant opportunism, and its shameless policy of force. However, all the maneuvers of the United States and its chums have fallen in the sack of defeat. If there is something the United States got out of the Geneva meeting, it was to show its true self. In other words, it showed that it is a deceitful government without ethics, principles, or moral authority.

Again, the United States wanted to make the Geneva meeting into a scenario of its anti-Cuban paranoia. However, it was taught another big lesson. The empire could not avoid witnessing there what our nation has—dignity, rights, independence, honor, principles, and morals. Finally, it could not avoid witnessing the ideas of unity, solidarity, brotherhood, and freedom that characterize the most humane revolution known in the history of the world.

'Our America' on Geneva

PA1303013389 Havana International Service in Spanish 0000 GMT 11 Mar 89

["Our America" commentary read by Manuel Somoza]

[Text] For the 3d consecutive year, the United States suffered a serious setback at the UN Human Rights Commission when it failed to get international support for its feverish desire to condemn our country for alleged human rights violations.

All of Washington's dirty maneuvers were shattered by the heavy load of Cuban reality expressed at the 45th UN Human Rights Commission session in Geneva. Among other things, Washington brought to the honorable meeting a whole crowd of rascals who had committed countless crimes against Cuban state security. Those former prisoners, released before they finished their sentences thanks to the humanitarian ideals of our revolution, were paid by the United States to conceal their terrorist status and pretend to be poor victims of the Cuban penitentiary system.

No one believed this anti-Cuban campaign, carried out with Western propaganda that uses individuals with extensive counterrevolutionary backgrounds and some groups operating secretly in our country, not because they are persecuted, but simply because they are aware that they represent the views of a few antisocialists. The masterminds of this desperate anti-Cuban campaign have not presented one piece of evidence. It is impossible to prove the use of physical and psychological torture and the unjust arrest and persecution of those whose opinion differs from the opinion of the overwhelming majority. Lies, manipulations, blind and rude diplomacy, and economic and political pressure exerted on other nations to vote against Cuba have been the methods that the White House has used to pass an anti-Cuban proposal in Geneva.

However, the reality of a country that fully respects human dignity is what prevailed in Geneva. Cuba has diplomatic relations with 126 nations, and it maintains very close ties with many of them. Thousands of visitors come to this tropical land every year, and aside from differing political positions, they have confirmed the respect for human rights in Cuba. Cuba defends its views in this regard, which differ from those of the bourgeoisie. A state respects the dignity of an individual when it creates a penitentiary system that helps rehabilitate those who break the law, and when society and the law prevent any humiliation to its citizens. However, beyond that, there are other rights, such as the right to have a stable job, social security, and free education and health care—in sum, the right to have lives that will improve if all Cubans work more efficiently, enjoying a new democracy, different from the democracies in other societies. What better option could we have than to have each neighborhood freely select those who, in our opinion, are best suited to be part of local government?

The truth about Cuba has prevailed at the 45th UN Human Rights Commission's session. It has been proved once again that Latin American unity is possible. Not one Latin American country supported the anti-Cuban maneuver. With this solidarity and the solidarity of socialist countries, together with the sound explanations of Vice Foreign Minister Raul Roa Kouri, it was possible to defeat the powerful but morally weak U.S. imperialism.

Antigua and Barbuda

9 Mar General Election Results Announced

FL1003163589 Bridgetown CANA in English 1608 GMT 10 Mar 89

[Text] St Johns, Antigua, March 10, CANA—Following are the results of Thursday's general elections here in which the incumbent Antigua Labour Party (ALP) won 15 of the 17 seats, the remaining two going to the United National Democratic Party [UNDP] and the Barbuda People's Movement.

St Johns City West:	
Henderson Simon (ALP)	874
Donald Halstead (UNDP)	612
Alister Thomas (ACLM) [Antiguan Caribbean Liberation Movement]	67
St John's City East:	
John St Luce (ALP)	992
Duncan Finch (UNDP)	91
Lowell Jarvis (ACLM)	29
St John's City South:	
Christopher Omarde (ALP)	508
Dr Ivor Heath (UNDP)	344
Tim Hector (ACLM)	58
St John's Rural West:	
Baldwin Spencer (UNDP)	1,078
Donald Christian (ALP)	955
St John's Rural South:	
Vere Bird Jr (ALP)	1,242
Strickland Jarvis (UNDP)	388
Radcliffe Robins (ACLM)	29
St John's Rural East:	
Lester Bird (ALP)	1,180
Ralph Francis (UNDP)	314
Conrad Luke (ACLM)	44
St John's Rural North:	
Vere Bird Sr (Prime Minister) (ALP)	738
Rolston Potter (UNDP)	328
St Mary's North:	
Mowlyn Joseph (ALP)	1,059
Charlesworth Samuel (UNDP)	689
Laundanskie Joseph (Independent)	48
Percival Simon (ACLM)	20
St Mary's South:	
Hugh Marshall (ALP)	718
Hilson Baptiste (UNDP)	382
Dr Lemuel Sealy (Independent)	137
George Goodwin (ACLM)	43
All Saints East and St Luke:	
Eustace Cochrane (ALP)	866
Victor Mc Kay (UNDP)	530
Corthwright Marshall (ACLM)	30
All Saints West:	
Hilroy Humphreys (ALP)	994
George Pigott (UNDP)	469
Adlai Carrott (ACLM)	30
St George:	
Adolphous Freeland (ALP)	1,087
Nathaniel Francis (UNDP)	625

Jerome Bleau (ACLM)	40
St Peter:	
Joseph Mayers (ALP)	545
Leon David (UNDP)	36
Anthonyson King (ACLM)	27
St Phillip North:	
Robin Yearwood (ALP)	869
June Deshalto (UNDP)	173
Reginald Halstead (Independent)	13
Joseph Samuel (ACLM)	17
St Phillip South:	
Reuben Harris (ALP)	614
Wilmouth Daniel (UNDP)	360
St Peter:	
Dr Rodney Williams (ALP)	977
Eustace Potter (UNDP)	243
Barbuda:	
Thomas Hilbourne Frank (Barbuda People's Movement)	304
Arthur Nibbs (Barbuda Independent Movement)	71
Eric Burton (Barbuda National Party)	150

Minister Notes 'Social Cost' of Debt Servicing

PA0803224589 Hamburg DPA in Spanish 1946 GMT 8 Mar 89

[Text] Mexico City, 8 Mar (DPA)—The Mexican Government has told its foreign creditors that the social cost of the adjustment programs created to guarantee the payment of the servicing of its $106-billion debt is "unacceptable and unsustainable."

In a letter addressed to the international community and released by the local press, Mexican Finance Secretary Pedro Aspe Armella asserted that the efforts made by his country since the beginning of the debt crisis in 1982 "have not been equaled by any other developing country."

Aspe said the net transfer of money to creditors during the last 7 years, which has totaled 6 percent of the gross national product (GNP), resulted in an average growth rate of 0 percent, a drop in the per capita GNP of between 15 to 20 percent, a 50-percent drop in real wages, and a loss of 5 million jobs.

Aspe said the economy must now grow at a minimum annual rate of 4.5 percent, although that rate "does not compensate for the increase in unemployment that occurred during the last 7 years." He added that to compensate for that loss in jobs, it is necessary that [words indistinct] transfer of capital from 6 to 1.5 percent [words indistinct] of the GNP.

Aspe recalled that the adjustments used since 1982 caused a nonfinancial public expenditure reduction of between 30 to 18 percent of the GNP; that in 1983 the chronic primary fiscal deficit was reduced (producing a 7.4 percent surplus in 1988); and that inflation dropped from 159 to 52 percent.

Aspe told the international community that while the government is asking for support to lighten the burden of the debt, it commits itself to keeping its economy open, to treat foreign investment with a more flexible policy, and to continue with the "privatization" of parastate enterprises (since 1982, 750 of the 1,155 enterprises controlled by the state have been privatized).

Government Praises New U.S. Stance on Debt

PA1103034489 Mexico City XHTV Television in Spanish 0200 GMT 11 Mar 89

[Report by Cinthia Lara]

[Text] The Mexican Government, through the Finance Secretariat, has expressed satisfaction with the plan by President George Bush's administration to help reduce Latin America's debt. It believes that a speech delivered by U.S. Treasury Secretary Nicholas Brady at a conference on Third World debt is the first positive reaction to the positions that Mexico has been upholding in its negotiations since President Salinas de Gortari assumed power.

The Mexican Government states that the switch to now emphasizing reducing the debt and its service and not to further indebtness, as was the case in the past, is particularly positive. It also underscores the emphasis placed on the need to promote economic growth and upgrade the living standards of indebted countries.

The government adds that the burden of finding a more lasting solution to the debt problem must be equally shared among the various parties involved in the process. Mexico has repeatedly insisted on the need for this requirement.

Secretary Brady's ideas are a first step that, although positive and important, will require several months of intense work to define operational mechanisms leading to a reduction of the debt or its servicing.

The Finance Secretariat adds that we must not become overconfident. It is now more important than ever to consolidate the unity of Mexicans and support the ardous negotiations that must continue.

In light of this new stance adopted by the U.S. Government, Finance Secretary Pedro Aspe will travel to Washington on Sunday to meet with Secretary Brady on Monday, 13 March, to discuss the scope of Secretary Brady's proposal and to continue to discuss the ideas that Mexico has presented to its creditors.

Official Comments on Refugee Aid Programs

PA0803141389 Mexico City EXCELSIOR in Spanish 24 Feb 89 pp 1, 4

[Report by Jorge Gonzalez]

[Excerpt] Campeche, 23 Feb—Esteban Garaiz, general coordinator of the Mexican Commission for Aid to Refugees [COMAR], has reported that since 1984 Mexico has granted asylum to 45,000 Central American refugees. Garaiz added that within the framework of the Program for Voluntary Repatriation approximately 3,000 refugees have returned to their homes. Meanwhile, 13,000 refugees remain in Campeche, 7,000 in Quintana Roo, and 22,000 in Chiapas.

Esteban Garaiz also revealed that 5.448 billion pesos will be earmarked for programs in 1989 to assist the Central American refugees. These programs include the construction of a new camp in Champoton Municipality, where 3,000 refugees currently living in shelters in Maya Tecum and Quetzal Edzna will be settled.

Garaiz said that there is no doubt that the best solution to the Central American refugees' problems in Campeche would be their voluntary return to their homeland.

Garaiz stressed that the Mexican Government and the United Nations are aware of the problems confronted by the refugees and are willing to help solve them.

Garaiz added that 232 refugees currently living in Chiapas and Campeche will be returning to their homeland tomorrow or the day after, and that the repatriation of another group of 142 refugees, 35 families, is planned for 28 February.

The general coordinator explained that COMAR's program for the next few years will not experience a real setback in 1989, since there are still several agricultural cycles that can be taken advantage of before the end of the year.

Garaiz also said that COMAR has purchased the 840-hectare Queste Ranch, Champoton Municipality, to build a camp that will house 3,000 refugees. [passage omitted]

El Salvador

FMLN Issues Series of Communiques 9-11 Mar

Wants Cease-Fire, Election Delay

PA1003185589 San Salvador Radio Cadena Sonora in Spanish 1630 GMT 10 Mar 89

[Communique issued by the Farabundo Marti National Liberation Front General Command in El Salvador on 9 March; read via telephone by unidentified speaker—live or recorded; (Clandestine) Radio Venceremos in Spanish to El Salvador at 0025 GMT on 11 March broadcasts an identical version of this communique]

[Text] Esteemed members of the government commission:

Today, 9 March, we have received a message signed by the members of your commission asking us to begin the peace talks. We have already addressed this issue on numerous occasions, expressing our willingness to hold a meeting. The government commission's letter makes no mention of any move to postpone the elections. It does not even consider including this topic on the meeting's agenda. On the contrary, it is clear that the commission has already decided to hold the elections on 19 March.

Consequently, the Farabundo Marti National Liberation Front [FMLN] hereby informs the government commission and the Salvadoran people of the following:

1. The government commission must clearly and publicly announce that it is willing to reach an agreement on confining the Army to its barracks on the day of the elections, establishing an Electoral Code by consensus, providing absentee voting for Salvadorans living abroad, restructuring the Central Elections Council, and forming a council for verification.

More importantly, it must express the state powers' willingness to postpone the elections for 5 months, once a cease-fire has been agreed upon. We also believe that the government commission must publicly announce that it is willing to bring military commanders and officers responsible for political murders and crimes to trial, to reduce the Salvadoran Armed Forces to the number of troops it had in 1968, and to disband the security forces to form a new civil police. We reiterate our willingness to discuss permanently ceasing the armed struggle.

2. If the government commission agrees to the above requests, the FMLN will agree to a meeting and is willing to immediately decide on a date and a time for the meeting. The FMLN is even willing to hold the meeting outside El Salvador. As a part of this meeting, we are willing to negotiate and come to an agreement with the Armed Forces staff on a cease-fire that will bring about a permanent and negotiated solution to the conflict.

3. If no such agreement is reached, then there is no point in holding the meeting prior to 19 March, because it will simply be used by both the Christian Democratic Party [PDC] and the Nationalist Republican Alliance [ARENA] in their election dispute. The elections play no role in achieving peace; they only serve to provide a false justification for continuing the war.

4. We await a response from the government commission.

El Salvador, 9 March 1989

FMLN General Command

[Signed] Commander Salvador Sanchez Ceren

Commander Francisco Jovel

Commander Jorge Shafik Handal

Commander Eduardo Sancho

Commander Joaquin Villalobos

Terms Parties' Stance 'Postive'

PA1103013689 (Clandestine) Radio Venceremos in Spanish to El Salvador 0011 GMT 11 Mar 89

[Communique issued by the Farabundo Marti National Liberation Front General Command in El Salvador on 10 March; (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0002 GMT on 11 March broadcasts an identical version of this communique]

[Text] Communique regarding the Salvadoran political parties declaration on 9 March. In reply to the agreements the political parties reached in their last meeting, the Farabundo Marti National Liberation Front [FMLN] reports the following:

1. We are fully aware of the efforts the multiparty group has carried out to save the peace process, which our proposal had begun. The latest agreements they reached are another sign of the highly positive and patriotic stance they adopted regarding the possibilities that the process has opened.

2. We feel every effort thus far made has enabled us to make headway. The situation is now better than in the past because the stances for peace have become strengthened and it has been made clear that elections without a consensus—which is what the 19 March will be—cannot contribute anything to achieve that goal.

3. The Salvadoran Army's unilateral cease-fire is false, as the facts have shown. By refusing to reach an agreement to end hostilities, the other side adamantly continues the war and repression against the people. As the experience of these past few days have shown, this sort of cease-fire, without an agreement, does not contribute anything to peace; instead is deceives international public opinion.

This stubbornness is characteristic of the Armed Forces attitude, such as when they threatened a coup d'etat during the meeting held between political parties and the FMLN in Mexico City. All this proves that the nature of the 19 March elections are antidemocratic and are aimed at intensifying the war.

Furthermore, the cleanliness of the elections has been questioned following the mutual accusations between the PDC, ARENA, and other parties.

All this explains why the people reject the elections, and we are obligated to support the people. We cannot facilitate or favor the holding of this fraudulent event, which opposes peace.

The last word in reaching a suspension of violence is not for us to say, but for the other side, who insists on boycotting any initiative leading to a negotiated solution to the conflict.

Finally, we express our agreement with the resolution issued by the political parties regarding the importance of a dialogue with the FMLN to reach a firm and lasting peace. We also express our decision to continue the talks.
Signed by the FMLN General Command
Commanders Salvador Sanchez, Francisco Jovel, Jorge Shafik Handal, Eduardo Sancho, and Joaquin Villalobos
El Salvador, 10 March 1989

More on Transportation Stoppage

PA1103225489 San Salvador Radio Cadena Sonora in Spanish 1730 GMT 11 Mar 89

[War bulletin issued by the FMLN General Command Juan Castro military, suburban, and militia commandos in El Salvador on 11 March]

[Text] 1. In regard to the transportation stoppage decreed by our general command beginning at 0000 on 15 March, which was issued in direct response to the scheduled electoral farce that will only intensify the war, we warn all drivers of privately owned, business, cooperative, and commercial vehicles that our units have specific instructions to ensure that the FMLN General Command's orders are carried out.

2. We warn gas station owners that if they do not close down during the stoppage they will become military targets for our units during and after the strike. This same warning is made to fuel distributors nationwide.

3. In this regard, we ask humanitarian organizations such as the Salvadoran Red Cross, Green Cross, First Aid commandos, International Red Cross, and similar organizations, as well as the national and international press, to purchase the fuel they will need now.

4. Within the framework of our increased urban and suburban activity, we inform the Salvadoran people and media that:

1. On 27 February, urban commandos sabotaged two gas stations between 0630 and 0730. The stations are located at 49 South Avenue and West 12th Street, and at West 3d Street and 19 North Avenue.

2. On Wednesday, 8 March a suburban unit sabotaged eight vehicles owned by the Public Works Ministry, MOP, which were parked on a lot between San Diego and Melara Streets. Among the destroyed vehicles was a tanker truck. In addition to this, Juan Castro militia units sabotaged two electric towers in the same area.

3. On Thursday morning, our commando units destroyed seven vehicles owned by the Health Ministry.

In conclusion, we ask the civilian population in the cities and in outlying areas to comply with all of the necessary measures and to purchase food and potable water for the next few days. We urge the people to obey our instructions and to watch for those who do not comply with the nationwide transportation stoppage. We know the people support the measures of its vanguard, especially at this time when a new electoral farce is about to unfold. This farce is nothing but a means of ridiculing the people's desire for peace.
[Issued in] San Salvador, 11 March
[Issued by] General Command of the FMLN Juan Castro Urban Commandos

Decreed Stoppage Postponed

PA1103235589 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2307 GMT 11 Mar 89

[Communique issued by the FMLN General Command on 11 March; place not given]

[Text] Since a demonstration will be held in San Salvador on 14 March, and since the purpose of our transportation stoppage is to support the Salvadoran people in repudiating the 19 March elections, the FMLN resolves:

To avoid obstructing the aforementioned peaceful, legitimate demonstration, which the Salvadoran people will hold for the sake of peace, the FMLN has decided to postpone the beginning of the transportation stoppage until 0000 on 16 March. [(Clandestine) Radio Venceremos in Spanish to El Salvador at 0022 GMT on 12 March carries an identical broadcast of this communique up to this point, omitting the following repeated paragraph and the date and signature lines]

We repeat: To avoid obstructing the aforementioned peaceful, legitimate demonstration, which the Salvadoran people will hold for the sake of peace, the FMLN General Command has decided to postpone the beginning of the transportation strike until 0000 on 16 March.
[Signed] FMLN General Command
11 March 1989

Cristiani 'Not Willing To Negotiate'

PA1203035789 Paris AFP in Spanish 0157 GMT 12 Mar 89

[Report by AFP special correspondent Arturo Gudino]

[Text] San Salvador, 11 Mar (AFP)—Alfredo Cristiani, presidential candidate of the Salvadoran Nationalist Republican Alliance (ARENA), warned today that he is not willing to negotiate with the Farabundo Marti National Liberation Front (FMLN) if he wins the upcoming 19 March presidential elections.

Cristiani said: "We are willing to talk but not to negotiate any platform." Cristiani warned that if the rebels do not lay down their weapons and join the country's political life, "the best thing for them to do is to leave for Nicaragua or Cuba."

As someone who is considered certain to become the next Salvadoran president, Cristiani received an ovation from a cheering crowd that gathered at La Libertad Square in San Salvador, where ARENA held its last major demonstration in San Salvador.

Cristiani added: "We will never let them attain power by means of rifles."

The ARENA candidate, who is favored to win the Salvadoran presidential elections, asserted that once he attains power, he will give full support to the Army and the security forces "so they can put an end to the violence in the country."

Cristiani, a wealthy businessman, also announced that if he wins the elections he will put an end to the nationalization of the banking sector and foreign trade activities, the main pillars of a plan whose implementation began after the country's 1979 coup d'etat. President Duarte kept this plan alive and the agrarian reform program intact during his presidential term.

"We will do away with INCAFE (National Coffee Institute), which has stolen jobs from hundreds of thousands of Salvadoran producers," the ARENA leader said, adding: "We do not want a banking or a business government." [tampoco queremos un gobierno banquero ni comerciante]

Cristiani, however, did not mention the current agrarian reform, through which young military men who led the 1979 coup d'etat intended to break the back of the oligarchy.

Thousands of Salvadorans, mostly from the upper and middle classes, marched along the main San Salvador streets today to La Libertad Square, which was filled with ARENA posters and red, white, and blue ARENA flags.

ARENA's Cristiani said: "We will eliminate the unemployment problem. We will build roads and increase production. We will provide the most needy with health, education, and all other services."

Meanwhile, thousands of youths cheered for Cristiani and danced in La Libertad Square to songs ridiculing ARENA's main opposition in the elections, the Christian Democratic Party [PDC], which is currently in power.

Roberto D'Aubuisson, ARENA founder and former presidential candidate, denounced the United States, which he accused of sponsoring the PDC.

D'Aubuisson, whom the PDC has accused of being the "brains behind" the March 1980 assassination of Msgr Oscar Arnulfo Romero, said: "Whether the white blonds [cheles] like it or not, we will win the elections 10 years after the 1979 fatal coup d'etat."

D'Aubuisson harshly attacked President Duarte, who is suffering from terminal cancer, and referred to him as "the crazy and worn out [sobado] Duarte."

Cristiani is willing to talk with the FMLN, but only within the framework of the Constitution and the law. D'Aubuisson said: "We will give them time to join the country's democratic life, little by little."

ARENA's meeting, which according to its organizers drew a crowd of 40,000 supporters, ended without incident tonight.

Guerrillas Threaten To Kill Election Officials

PA1203215889 Panama City ACAN in Spanish 2038 GMT 12 Mar 89

[Text] San Salvador, 12 Mar (ACAN-EFE)—The Salvadoran guerrillas today threatened to murder individuals involved in the 19 March presidential elections if they do not resign from their posts.

"All individuals and institutions involved in the 19 March electoral farce will be mercilessly punished by the people's justice for contributing to the continuation of the war," the guerrillas warned today in a message broadcast by Radio Venceremos, their official radio station.

The Farabundo Marti National Liberation Front (FMLN) is opposed to the presidential elections and has asked the people not to vote or to destroy their ballots.

The guerrilla threat is aimed at members of the departmental and municipal ballot-receiving boards, mayors, judges, party directorates, and electoral college officials.

The warning also applies to the owners of vehicles that operate during an idefinite transportation strike the FMLN is scheduled to initiate on 16 March at 0000.

Swearing in approximately 20 ballot-receiving boards in San Salvador, Ricardo Perdomo, president of the Central Electoral Council, said the Armed Forces and the council are prepared to guarantee normal elections.

"We were expecting this. We know the guerrillas will implement all types of boycotts to hinder the elections. Nevertheless, we are in a position to guarantee the elections," Perdomo reiterated.

Military units have been deployed since yesterday in cities in the eastern departments of Morazan, San Miguel, Usulutan, and La Union, where the rebels persistently sabotage the electrical system.

The FMLN has announced it will intensify its "insurrectional actions" throughout the country, which could affect the nation's electrical and telephone systems on election day.

The guerrillas are opposed to the elections because they feel they are "part of the counterinsurgency plan and a means of legitimizing the continuation of war, hunger, and poverty."

"Those who cooperate with the electoral farce will be thrown out of their homes, executed, and their properties will be sabotaged before, during, and after the elections," the rebels said.

The guerrillas sent messages on Saturday night to the mayors and municipal councils of eight towns in La Union Department, demanding that they resign or the FMLN will "bring to bear" against them "the entire weight of popular justice."

Call for Resignations

PA1303013489 (Clandestine) Radio Venceremos in Spanish to El Salvador 0013 GMT 13 Mar 89

[Text] Attention, much attention: The following is a call to those who are helping to organize the elections. Much attention:

We call on all those people who are helping to organize the elections. We demand that they publicly resign from their posts. We repeat: We call on all those people who are helping to organize the 19 March elections and demand that they publicly resign. The 19 March election being organized by the PDC and ARENA [Nationalist Republican Alliance] is part of the military counterinsurgency plan aimed at legitimizing repression, the bombing of civilians, and the hunger and poverty of the Salvadoran people. In light of the above, these people must immediately resign. After they have done this, they will no longer be considered by our people as being part of the military counterinsurgency plan and they will be able to live in their homes without any problems.

ARENA and the PDC refused to accept our peace proposal to make the elections a tool for a political solution to the war. Therefore, the feeling of the majority of our people is one of rejection of the 19 March elections. This feeling requires that everyone involved in organizing the 19 March elections publicly resign and join the people in their search for peace through dialogue and negotiation and in defeating the electoral farce aimed at perpetuating the war.

Duarte Reacts to FMLN

PA1303042689 Panama City ACAN in Spanish 0343 GMT 13 Mar 89

[Text] San Salvador, 12 Mar (ACAN-EFE)—Salvadoran President Jose Napoleon Duarte tonight called for Spain, Mexico, Venezuela, and Nicaragua to mediate with the Salvadoran rebels so they will not boycott the 19 March presidential elections.

"There can be no peace without democracy, and voting is the path to democracy," Duarte said in a speech transmitted by a nationwide radio network. In this speech, he urged the guerrillas to lay down their weapons and join the Salvadoran political process.

Duarte issued this call to the governments of these four countries and to Pope John Paul II to intercede with the FMLN in support of the elections.

In the past few days, the rebels have called for a transportation stoppage to begin on 16 March, have ordered gas station owners to refrain from selling fuel, have announced that they will destroy power lines, and threatened to kill election officials.

On Sunday, 19 March, 1.8 million Salvadorans will cast their vote to elect the man who will replace Duarte.

The Salvadoran president called on the people to vote and said the government and the Army "will guarantee the safety of the elections."

Following the failure of the negotiations, during which the rebels proposed the postponement of the elections and the creation of "a new electoral framework," the FMLN has asked the people not to vote or to "void" their ballots.

Poll Shows ARENA With 11.1 Percent Lead

PA1103183689 San Salvador EL DIARIO DE HOY in Spanish 11 Mar 89 p 5

[Text] Rafael Moran Castaneda [leader of the National Conciliation Party, PCN] has announced the results of a poll conducted by an international firm. The results are as follows: Alfredo Cristiani, Nationalist Republican Alliance [ARENA] presidential candidate with 38.9 percent; PCN presidential candidate Rafael Moran Castaneda with 27.8 percent; and Fidel Chavez Mena, Christian Democratic Party with 27.2 percent [figures do not

total 100 percent as published]. According to this poll and one carried out by the National University, Chavez Mena occupies third place in this presidential race.

ARENA leader Colonel Sigifredo Ochoa Perez said that Alfredo Cristiani will win the elections in the first round scheduled for 19 March. Regarding the hopes of many political parties of forming alliances and coalitions to run in the second round of the elections, the ARENA legislator said "there will not be a second Noah's Ark."

Democratic Convergence Leaders on U.S. Visit
PA1003224589 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 10 Mar 89

[Report by Alexis Diaz—passages within quotation marks recorded]

[Text] Dr Ruben Zamora, general coordinator of the Democratic Convergence [CD], commented this morning at a news conference at the CD headquarters on the result of talks with U.S. congressmen during his recent visit to Washington, where among other things, they discussed U.S. military aid for El Salvador. On behalf of the CD, Ruben Zamora said the aid should be based on peace and a negotiated political solution to the conflict and not on a continuation of the war.

[Zamora] "My visit to Washington was at the invitation of the Council of Hemispheric Affairs and the Foreign Affairs Committee to speak at a public hearing that the committee held regarding the aid given to El Salvador.

"That was a very unusual hearing by Washington standards, because the Salvadorans who spoke at the subcommittee's hearing were representatives of the country's three main political forces: the CD, ARENA [Nationalist Republican Alliance], and the Christian Democratic Party [PDC].

"The CD presented its views on how to continue granting aid to El Salvador. We believe the aid to El Salvador should be based on peace and a negotiated political solution and not on the continuation of the war.

"We proposed that the U.S. Congress maintain current aid levels for at least 5 years with the goal of achieving a peaceful political solution among Salvadorans. This would allow us to use those funds that are now [words indistinct] prevent the destruction of the country and ensure that they are actually used for the reconstruction of our fatherland.

"Besides continuing the aid for 5 years, we also proposed the following: Should we Salvadorans fail to achieve peace through dialogue and negotiation, military aid to El Salvador would be reduced by 20 percent each year. This would create an added incentive for us to achieve peace through negotiations among Salvadorans.

"The 20-percent decreases would not be lost; they would go to a fund that would be ready for use when the Salvadorans achieve peace. They would be immediately used for the peaceful reconstruction of the country."

At the U.S. Congress, the CD called for conditioning the military aid for El Salvador. In this regard, Ruben Zamora said ARENA has been disseminating distorted information. That party, together with the PDC, says one thing in El Salvador and another in the United States.

[Zamora] "The three political parties expressed their views regarding placing conditions on the aid. The CD agrees that aid should be conditioned on human rights issues and a negotiated political solution.

"However, other things have been said here. We wish to clarify that ARENA said that its representative, Mr Valdivieso, explicitly told the subcommittee that ARENA supports conditioning aid given to El Salvador. We wish to make things clear. We think this is too much because the PDC and ARENA say whatever they wish wherever they wish and are deceiving people. They say one thing here and something completely different in Washington.

"I challenge ARENA to present the recording [of its testimony to the subcommittee]. All this was recorded in the United States; public hearings there are recorded. We could bring the recording to clearly show what ARENA said."

The CD general coordinator added that during their talks with U.S. representatives and senators, it was evident at the House of Representatives and the Senate that there is a trend toward reducing military aid to El Salvador for human rights reasons or because of strictly domestic U.S. issues, such as the ever increasing budget deficit.

Meanwhile, CD presidential candidate Dr Guillermo Manuel Ungo commented on the elections, which despite the peace proposal of the Farabundo Marti National Liberation Front [FMLN] to postpone them, will take place as scheduled on 19 March. Therefore, they will take place amid a climate of violence, because the government and political parties showed no interest in the proposal. Although it could have led to a definitive peace in El Salvador, it was not given the appropriate importance and a possible meeting for talks and negotiation between the sides was continuously postponed.

[Ungo] "More than 1 and ½ months have passed since the FMLN proposal was made public. Not mentioning the specific aspects and details of the proposal, it offered an opportunity to call a cease-fire during the election campaign and ensure that the result would be [words indistinct].

"After many discussions and as the FMLN continued to broaden its position and give more seriousness, credibility, and responsibility to its position, none of the right-wing political parties dared to openly reject that proposal. There was a positive dialogue from several standpoints, but this was a way to cover up a rejection of the possibility of holding elections in peace and for peace.

"In the last meeting of political parties yesterday, it was clear that [words indistinct] agree, including ARENA, in a postponement of the elections. However, yesterday ARENA and other political parties rejected a postponement of the elections, and only the CD was consistent in saying the path to postponing the elections is the withdrawal of presidential candidates, the withdrawal of all candidates.

"The PDC continued to bounce the ball back to ARENA and asked that this be done through a legislative decree, knowing well that ARENA controls the Legislative Assembly. They want others to do what they do not want to do. It is evident and clear we will have elections on 19 March because the political parties, mainly ARENA and the PDC, did not give the FMLN proposal an opportunity to promote elections in peace and for peace."

In view of this, Guillermo Ungo added that the CD firmly maintains its position to participate in the upcoming elections, because opinion polls make them the second or third political force in the country. However, he regretted the elections will take place amid a war and amid the possibility of the war's continuance depending on which party wins. He added that if the CD wins, it would be working to build peace in El Salvador, because this is the only political force that would hold talks and negotiate with the FMLN and because it did not fool around with the proposal presented by the rebels.

However, Ruben Zamora said there is still the possibility the CD would withdraw its presidential candidates even 1 day before the elections if conditions established by them when they decided to participate in the elections are not respected, including freedom of movement for leaders, militants, and sympathizers; equitable access of that political coalition to the media; respect and fair treatment of state branches and election organizations toward the CD; and finally, respect for the lives of leaders participating in this political coalition.

Meanwhile, Ungo asked the guerrillas to suspend before 19 March a ground transportation stoppage announced for 0000 on 15 March, because the CD would also be affected by this FMLN General Command decision.

[Ungo] "The CD would be affected by elections amid a war. The FMLN is calling on the people to abstain from voting or void their votes. That would affect us. We must understand there is a war; the FMLN must understand we also realize this is not a normal election and that we do not have a democracy. That also affects us. That is why we also [words indistinct] because there is a possibility of holding elections amid a democratic atmosphere.

"A transportation stoppage also affects us. We hope this stoppage will end before election day. In this regard, we call on the FMLN to keep this in mind."

Nicaragua

Ortega Cited on Region's Economic Problems

PA1003183089 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 10 Mar 89

[Text] President Daniel Ortega has blamed the developed countries for the explosive situation in Latin America. Speaking at the opening of the (Agrofer 1989) livestock fair in Camoapa this morning, the president also called on producers to strengthen the country's economic effort.

President Ortega said that those responsible for the Latin American economic crisis are those capitalist businessmen who have been incapable of finding a solution to the continent's economic problems and who are instead draining Latin America's finances.

[Begin Ortega recording] There has been an attitude that is not at all nationalistic. I remember some years back when it was said that Latin America, unfortunately, had not managed to create a nationalist feeling among the bourgeoisie. [end recording]

Ortega said the uprisings in Latin American countries are due to the crisis and the foreign debt, which already has reached $4 billion. Ortega said the industrialized countries are concerned over this situation. The president said that faced with this situation, the U.S. Treasury Department recommends releasing Third World countries from their debt, although this will not be sufficient until a policy that meets our national interests is implemented. Ortega called upon workers to strengthen the mixed economy through a concerted economic effort.

[Begin Ortega recording, in progress] ...it is a challenge that commits us all—government and people, producers and workers, businessmen and peasants—to work firmly, honestly, and responsibly, under conditions of security, to save the economy and develop the country. [end recording]

Commander Jaime Wheelock, minister of agricultural-livestock development and agrarian reform, said progress has been made in livestock production. Wheelock stressed that while meat exports dropped to 5.5 million pounds in 1986, this figure increased to 22 million pounds in 1988.

[Begin Wheelock recording, in progress] ...reduction in clandestine slaughter of livestock—which had reached alarming levels of up to 25 percent of the total slaughter of livestock—was reduced to 6 or 7 percent of the total. [end recording]

Newsmen Call for National Dialogue, Amnesty

PA0703040989 Managua Radio Corporacion in Spanish 1200 GMT 6 Mar 89

[Communique from the Pedro Joaquin Chamorro Cardenal Association of Nicaraguan Newsmen in support of national dialogue and amnesty; issued 1 March, place not given]

[Text] In the midst of Nicaragua's current problems, there is one fact that is simple to explain: The Sandinist National Liberation Front [FSLN] has been unable and will never be able to justify its exclusively partisan interests by violating the rights and values of Nicaraguan society, which represent our traditional national identity and which are expressed as legitimate aspirations for the future.

The pretense that a regime can endure by ignoring the lessons of history is not only a proved mistake, but it is an aberration bordering on the irrational. Therefore, it generates conflicts and misfortune for our homeland. Its persistence can only portend renewed and greater suffering for Nicaragua, where 10 years of a Sandinist regime have not solved urgent problems, such as the shortage of bread, electricity, work, water, health, housing, social justice, and freedom of expression.

During those 10 years, the FSLN has not learned that when an idea becomes a dogma, it deviates from reality. The FSLN has refused to admit that dogmatists are like sorcerer's apprentices who try to impose their theories over the invincible eloquence of the realities that life imposes on society, in which it is impossible to survive with impunity.

Dissociated from reality because it tries to make reality fit its dogmas, the FSLN, since it fell into the trap of thinking of the country as booty gained when it came to power, has begun to repeat the Somozist government's practices because it failed in its attempt to control the homeland and its people by force. The [word indistinct] assimilated from the leftist dictatorships were evidently more sophisticated than those of the right, but it was inevitably obliged to hold the so-called 1984 elections for the fraudulent realization of something for which Somozism was the best model.

To hold that simulated election, all the FSLN needed was an accomplice party and a shameless and dishonest official to head the electoral tribunal. To the misfortune of Nicaraguans, it found both. Nevertheless, the problems would continue to spiral, demonstrating that a solution cannot be obtained out of thin air.

The country's basic crisis in 1989 is several times worse than that of 1984. Now we are on the brink of a debacle. The practice of promising and not fulfilling has led the FSLN to the lowest credibility level anyone could imagine, victim of its own scheming and delay tactics without sense, reason, or possibility of improvement. If Nicaragua remains in the FSLN's hands, it will continue to sink like an injured pauper.

In spite of all this, the FSLN continues to use Somozist methodology to face the 1990 elections. It invents bilateral dialogue as if this were the solution to the conflict, and it disregards all voices of reason that warn of the need to find new paths or resume those that were intentionally abandoned. In a demonstration of inability, it is again maneuvering and gambling with the homeland's fate in an effort to find new accomplices that will make its perpetuation in power possible. In the final analysis, this is its sole and real objective. It does not care about Nicaragua; it only wants to remain in power.

In the face of this situation, opposition parties have, perhaps as never before, assumed an extraordinary responsibility to their members and to the nation. The clamor for a national dialogue in which national problems are discussed and realistic solutions are pursued for the benefit of the country has to be dealt with by the opposition. Those who disregard this truth can only be considered accomplices of the current Nicaraguan drama. No to bilateral dialogue and yes to national dialogue should be the order of the day for the parties truly committed to the homeland.

The independent Pedro Joaquin Cardenal Association of Nicaraguan Newsmen [APN] urges all political groups and parties to act in accordance with the country's needs by setting partisan or personal ambitions aside. They must forget about a bilateral dialogue and demand a national dialogue, which would be a demonstration of honesty to the people.

The APN demands that the FSLN government immediately reopen the Iglesia newscasts and reaffirm to the thousands of mothers, wives, and daughters of political prisoners the prompt enactment of an amnesty law that will initiate the process of national reconciliation, the only way to repair, or begin to repair, the damage caused to our country in the last 10 years of disaster, politicking, and administrative incompetence.

Panama

U.S. Ambassador 'Not Welcome' at David Fair

PA1003153489 Panama City CRITICA in Spanish 10 Mar 89 pp 1, 12

[Report by Carlos J. Nunez L.]

[Text] Visibly irritated, several Chiriqui Province leaders have categorically condemned the intention of the Christian Democratic Party [PDC] to invite U.S.

Ambassador Arthur Davis to the David Fair, which is scheduled to open today, and to have him sing the U.S. national anthem and raise the U.S. flag at the opening ceremony.

Italo Antinori, who is a very much loved and respected leading figure and farmer in Chiriqui Province, firmly said: "We, the people of Chiriqui, will not be responsible if anything happens to Mr Davis for sticking his nose and his protuding jaw in a place where there is no room for him."

Antinori also became very angry when he learned that the PDC had invited Davis to the fair in Chorrera so Davis could sing the U.S. national anthem and raise the U.S. flag. "I do not know if this is true, but we, the people of Chiriqui, only sing the anthem of our homeland here."

All indications are that before saying farewell to Panama—a country he has harmed so much—Davis wants to go from fair to fair drinking and singing his country's anthem. "Let him sing it in the United States, at his embassy, or in the bathtub, and not come here to pester us. We will not be responsible for the personal safety of someone who is trying the Panamanian people's patience and peace so much," Antinori concluded.

U.S. Embassy Linked to Opposition 'Blacklist'

PA1203152789 Panama City LA REPUBLICA DOMINICAL in Spanish 12 Mar 89 p 1-C

[Unattributed report: "A New Conspiracy by Davis and Maisto; the Christian Democrats Prepare a Blacklist of Revolutionary Process Officials"]

[Text] In the course of a journalistic investigation, this newspaper's reporters obtained a number of documents being used by high-ranking leaders of the Christian Democratic Party. The documents include a list of all officials who have served in the government since 11 October 1968.

The documents contain an explanation of why the list was compiled and indicate that "when we win the 7 May elections, proceedings will immediately be initiated to bring all people who appear on the list" to trial in the Republic's courts.

Ministers, acting ministers, deputy ministers, and top officials of autonomous institutions, whether civilian or military, appear on the blacklist.

This indicates that the true intentions of the opposition, which is subordinated to the interests of the U.S. Embassy, is to sow hatred within the Panamanian people. Similarly, it indicates the thirst for vengeance of the groups that have been ousted from power since 1968.

The list include the date of appointment of each of the top-ranking officials and all details of the corresponding appointment decree. Today, we publish a part of the blacklist drawn up by the opposition that is manipulated by the U.S. Embassy.

We will subsequently publish the rest of the list.

[The article is accompanied by photographs and names of the following individuals: Eng Jose Fierro, Jorge Castro, Rafael Zubieta, Juan M. Castulovich, Oscar Ucros, Dr Carlos Hoffman, Dr Fernando Cardoze F., Eng Carlos E. Landau, Eng David Samudio, Prof Paulino Romero, Carlos Julio Quijano, Gustavo Garcia de Paredes, Dr Gaspar Garcia de Paredes, Fernando Manfredo, Jorge Ricardo Riba, Dr Alfredo Oranges B., Menalco Solis, Eng Ariel Barnett, Dr Gabriel Castro, Rene Gonzalez, Dr Jorge Illueca S., Nicolas Gonzalez Revilla, Jorge Federico Lee, Miguel A. Sanchiz, Esther de Kirkland, Jose Renan Esquivel, Aristides Romero H., Alberto Conte, Luis Alberto Arias, Roberto Velasquez, Eng Frank O. Perez B., Dr Carlos Lopez Guevara, Efrain Zanetti, Jose B. Cardenas, Nicolas Ardito Barletta, Carlos E. Espino, Dr Abraham Saied, Juan Materno Vasquez, Eng Hector Ortega, Jose A. de la Ossa, Dr Eduardo Morgan H., and Julio Sosa B.]

Boyd Foresees 'Normalization' of Relations

PA1103004789 Panama City Telemetro Television in Spanish 2340 GMT 10 Mar 89

[Statement by Aquilino Boyd, National Liberation Coalition second vice-presidential candidate; date and place not given—recorded]

[Text] I am convinced that after 7 May [date of the Panamanian elections] Carlos Duque [National Liberation Coalition, COLINA, presidential candidate] will represent the union of two forces that are very necessary for the normalization of relations with the United States. If Panama is to receive fair, respectful treatment based on comprehension and understanding by both sides, the next president, in this case Carlos Duque, must have the people's support and be identified with the Panama Defense Forces. I believe Carlos Duque will have those two basic qualities, which will inspire confidence in both local and foreign investors and lead to the revival of the economy, bringing us, above all, solutions to the serious unemployment crisis that we are experiencing as a result of the unjust sanctions imposed by the United States.

I believe that after the elections the United States will try to normalize relations with Panama as soon as possible, because this normalization will be based on reciprocal convenience, understanding, and mutual respect. The United States has a vital interest in the Panama Canal, just as we do, and it seems to me that the best way to contribute to the efficient operation and proper defense of the Panama Canal is through a normalization of our relations.

Amendment Proposed to Law on Defense Forces
PA1003171489 Panama City LA ESTRELLA DE PANAMA in Spanish 9 Mar 89 pp A-1, B-2

[Article by Camilo Baruco; all quotation marks as published]

[Text] Panamanian Legislator Francisco Artola [from the Authentic Panamenist Party faction that supports the Civic Democratic Opposition Alliance] has introduced a bill to amend the charter of the Panama Defense Forces; namely, Law 20 of 29 September 1983. Article 1 of this law will read as follows: "The public force will function under the commands assigned by the president of the Republic and will be called the Defense Forces of the Republic of Panama. This institution will comprise the National Guard, the Panamanian Air Force, the National Naval Force, the Panama Canal Defense Force, and any other office similar to the above that in the future might be established or attached by either law or decree.

The amendments to Article 2 of this bill will read as follows: "The president of the Republic is the commander in chief of the Defense Forces of the Republic of Panama, and he will also be the commander of the National Guard and all the other entities that make up the public force. He will exercise his command through the respective minister and through orders, decrees, instructions, and regulations."

"The General Staff of the Defense Forces of the Republic of Panama will have the responsibility to act and implement the duties that fall within its purview in accordance with Law 20, as well as with laws amending and expanding said law. "The chief of the General Staff will be the institution's authorized spokesman," according to Article 3 of the amendment bill.

Article 5 states that the National Department of Investigation will be attached to the Attorney General's Office of the legislative branch. Its duties will be based on Decree Law 12 of 28 May 1960 and its amendments.

Article 6 of the bill will read as follows:

"The Department of Immigration will be attached to the Government and Justice Ministry and will be charged with implementing the regulations contained in Decree 16 of 30 June 1960 and Decree Law 13 of September 1965, [date as published] Law 26 of 5 March 1980, and other pertinent regulations."

"A new article is added to Law 20 of 29 September 1983. This will be Article 6-A and will read as follows:

Article 6-A: The Police Force and the National Directorate of Land Traffic and Transportation [DNTT] will operate under a separate command of the Defense Forces of the Republic of Panama and have their own charter. The president of the Republic will appoint every 2 years an officer of the Defense Forces of the Republic, whose rank is no lower than colonel, to be the national director of the Police Force and the DNTT. This officer will be a member of the General Staff of the Defense Forces of the Republic.

Article 7 will read as follows: "The major duty of the Defense Forces of the Republic will be national defense, including guarding the territorial integrity of the Panamanian state, protecting our borders, defending the Panama Canal, and defending constitutional order. The president of the Republic may entrust the Defense Forces of the Republic with police missions related to the security of citizens and foreigners within national jurisdiction or in one or more administrative districts whenever he deems it appropriate for reasons of security and public order. Whenever the Defense Forces of the Republic are totally or partially engaged in police duties, the functions entrusted to them under the charter of the Police Force and the DNTT will be suspended.

This bill's Article 8 takes the terms public force and Defense Forces of the Republic to mean the same thing. In every instance where Law 20 and this bill mention the post of chief commander or general command, the terms must be understood to mean the General Staff of the Defense Forces of the Republic unless the expressed purview of the president of the Republic is involved.

Article 23 of Law 20 of 29 September 1983 will read as follows: "The president of the Republic, with the participation of the pertinent minister, will appoint chiefs and officers of the public force in accordance with Numeral 2 of Article 179 of the Constitution, in accordance with the Defense Forces charter, and in accordance with military rank."

Article 26 of Law 20 will read as follows: "The ranks within the National Naval Force and the Panamanian Air Force, as well as their salaries, will be placed on the same level, whenever possible, as the categories mentioned in the previous articles, and internal regulations will create the necessary classifications.

Article 27 of Law 20 from 29 September 1983 will read as follows: "The organization of the Panama Defense Forces will be structured as follows: 1. president of the Republic 2. defense minister 3. General Staff 4. special staff from each force 5. other structures according to the internal regulations and according to Article 22 of this law."

Article 28 of Law 20 from 29 September 1983 will read as follows: "The chief of the Panama Defense Forces Staff will have the rank of general of the forces."

Article 34 of Law 20 from 29 September 1983 will read as follows: "The president of the Republic, through the defense minister, shall delegate authority to the Panama Defense Forces Staff to carry out the following duties: 1. participate in state council meetings 2. to organize,

direct, and administer the Panama Defense Forces 3. to adopt the necessary measures to guarantee the security of all inhabitants and their property; the preservation of public order; and social peace 4. to comply with and to ensure the members of the public forces comply with the Constitution, laws, and regulations 5. to report to the president of the Republic any developments that may occur 6. to participate in the preparation, implementation, modification, reform, and repeal of the regulations of this law and of those laws that may be enacted in the future pertaining to the public forces. 7. to make sure that the military active list is up to date according to the law and regulations 8. to make sure transfers, promotions, decorations, and awards are made according to the Defense Forces charter and regulations 9. to approve and supervise the purchase, production, preservation, and improvement of weapons, equipment, ammunition, uniforms, wardrobe, and war materiel 10. to improve the moral and physical condition of the institution and to improve the cultural and intellectual conditions of its members 11. to supervise the service provided by the public forces 12. to make sure the members of the public forces are disciplined and follow orders 13. to carry out any other function that may be stipulated by the law and other regulations.

Article 35 of Law 20 from 29 September 1983 will read as follows: "The chief of the Panama Defense Forces Staff shall be appointed by the president of the Republic for a period not to exceed 5 years, and he may be replaced for the following reasons: 1. compulsory retirement after 25 years of continuous service 2. service for the time period stated in this article 3. violation of the constitutional order."

Article 36 will read as follows: The Panama Defense Forces Staff shall be made up of officers with the rank of general, colonel, and lieutenant colonel. The appointment of staff commands will be the sole responsibility of the president of the Republic and will be made according to the active list."

Article 37 will read as follows: The staff shall be responsible for complying with the duties mentioned in Article 34 of Law 20 of 29 September 1983, as reformed by this law, and will be organized according to the Defense Forces charter and regulations."

Article 38 will read as follows: "Staff members and chiefs of regions, military zones, and special barracks must be Panamanian citizens by birth and must have a military rank higher than a Panama Defense Forces captain. Chiefs of regions and zones shall be rotated every 2 years."

Article 44 will read as follows: In case of a civil or international war, the president of the Republic and his staff may grant promotions to meet the deployment needs and other demands that may arise."

Article 63 will read as follows: "The members of the Panama Defense Forces shall have the right to retire for the following reasons: "A. retirement from active service shall be immediate after serving 25 consecutive years or 30 years of noncontinuous service to the institution. Retirees shall receive their pensions according to the last salary earned. B. When in the fulfillment of their duty they become disabled for life or are unable to continue serving the institution. In this case, the retirement will be figured according to what is specified in the previous section.

C. Upon personal request, diminished psycho-physical capacity, professional incapacity, deficient conduct, or being older than the maximum age allowed for his rank after 20 continuous years of service within the organization. In such cases they will have the right to receive a monthly retirement allotment that does not exceed 70 percent of the last wage. Regulations will establish the method of determining the amount of pay.

Article 20 will read as follows: This law shall be in effect upon its enactment.

Signed in Panama City, 5 March 1989. Presented to the Honorable Legislative Assembly by Honorable Legislator Francisco Artola A.

Argentina

Reactions to Brady Debt Plan Reported

Mixed Reviews From Parties

PY1203224289 Buenos Airs BUENOS AIRES HERALD in English 12 Mar 89 p 15

[Text] (NA-DYN)—The programme to reduce foreign debt interests in the Third World disclosed on Friday by United States Treasury Secretary Nicholas Brady was received with optimism by the government, while the opposition expressed contrasting views.

However, the latter agreed in criticizing the Radical administration for "their speed in praising a plan they had no time to study."

Presidential spokesman Jose Ignacio Lopez disclosed in a brief document that the government "received the move favourably." Likewise, Radical presidential candidate Eduardo Angeloz stressed that "the present conditions to pay the debt are too harsh" and emphasized that the US proposal "coincides with my point of view on the issue."

In turn, vice-presidential candidate Juan Manuel Casella and Senator Juan Trilla (Capital), chairman of the budget commission in the Upper House, stated that the programme served Argentine' interests "because it cuts foreign debts interest by 30 percent."

Casella added that "it is a big step forward because it implies that the US is ready to participate in the search for solutions to the problem of the debt in the Third World," while Trilla pointed out that "the (George) Bush administration presents a realistic plan for Latin America, and starts off with the best proposal for the region.

In turn Marcelo Diamand and Eduardo Curia—economic advisors to Justicialist presidential candidate Carlos Menem—issued cautious statements, underlining that the plan was "auspicious as any reduction of the debt can be, but at the same time it will increase the intervention of the International Monetary Fund (IMF) and its recessive recipes in our economy."

The General Labour Confederation (CGT) issued a statement completely rejecting the plan and blasted the government for accepting it. CGT Secretary-General Saul Ubaldini considered that "behind this supposed reduction in debt payments we will probably find a new plan that will bring increased suffering to our people."

Moderately favourable comments were issued by Senator Fernando de la Rua (Radical-Capital) and Movement for Integration and Development (MID) leader Octavio Frigerio.

De la Rua was "optimistic because it seems the Argentine Government's theory of the political nature of the debt was heard," and Frigerio argued that "the leaders of the Western world have finally realized that they are obliged to take the initiative for the growth of developing countries."

Intransigent Party leaders Oscar Alende, on the other hand, ruled out that this "could be a concrete proposal" and accused the U.S. Government of "trying to make us pay their foreign debt through the treasury."

Government 'Welcomes' Proposal

PY1103020989 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0040 GMT 11 Mar 89

[Text] Buenos Aires, 10 Mar (NA)—The Argentine Government has welcomed U.S. Treasury Secretary Nicholas Brady's proposal to reduce the foreign debt of Third World countries. The government said the proposal is "a promising step forward, the details of which we hope to hear soon. We expect them to fulfill the expectations they have created."

The Argentine Government position was made known in a declaration read by Presidential Spokesman Jose Ignacio Lopez. Here is the text of the declaration:

"The Argentine Government welcomes the ideas that the U.S. Treasury Secretary voiced today because they imply the recognition, for the first time, of the need to reduce the foreign debt in order to answer Latin America's demands for growth.

"It also applauds the proposal to distinguish between the old debt and the new debt, as the Argentine Government has repeatedly requested, in order to pave the way for additional funds for commercial operations and investment projects.

"Secretary Brady's words are a promising step forward, the details of which we hope to hear soon. We expect them to fulfill the expectations they have created.

"The Argentine Government also wishes to emphasize that, as it has always said, the main obstacle to Latin America's growth is the amount of funds being transferred outside the region, taking away capital from urgent investment requirements.

"Therefore, the Argentine Government feels that, while we seek to reduce foreign debt, it is also necessary to increase the flow of funds to the indebted countries. Foreign financing, increased and channeled through serious and responsible programs, is necessary to face the structural reforms to which Latin American countries are committed if we are to resume growth and improve the living standards of the people."

Caputo Calls Plan 'Novelty'

PY1203223689 Buenos Aires TELAM in Spanish 1116 GMT 12 Mar 89

[Text] Buenos Aires, 12 Mar (TELAM)—Argentine Foreign Minister Dante Caputo stressed that the Group of Eight meeting in Caracas took place at a "particularly important time" because it occurred at the same time as U.S. Treasury Secretary Nicholas Brady's announcement concerning the possibility of condoning the foreign debt of Third World countries. Caputo said this announcement "constitutes a basic change in the approach" to this subject.

Caputo arrived last night at the Aeroparque Metropolitan Airport on presidential plane T-02. Upon his arrival, he told TELAM that "the foreign debt" was the main issue at the Caracas meeting and voiced his "satisfaction" over the "document of the finance ministers" which was released "so that the people could get to know Latin America's technical proposal."

"The idea to reduce the foreign debt is truly a novelty," Caputo said about Secretary Brady's announcement, which included the establishment of funds with IMF and World Bank resources in order to reduce the debt of developing countries.

Asked about the current situation in Venezuela after the recent "social outburst" and its consequences, Caputo explained that even though "things have calmed down now," it "undoubtedly constitutes a dramatic example of the situation prevailing in our countries and the extremes to which our peoples have arrived." He said that "this is a warning to the international community."

Upon being asked whether "the social outburst" could happen in Argentina, Caputo answered: "I do not think so."

Colombia

3 'Gang' Members Arrested in Antequera Murder

PA1003190589 Bogota Inravision Television Cadena 1 in Spanish 1735 GMT 10 Mar 89

[Report by Maria Eugenia Salazar in Medellin]

[Text] Three members of the gang called the Owls were arrested in Medellin in connection with the attack on Senator Ernesto Samper and Patriotic Union leader Jose Antequera. The men were arrested in two operations carried out by the police in downtown Medellin and in the El Pedregal neighborhood.

[Begin recording of Medellin Police Commander Antonio Mejia Sanchez] The minute we received information that one of the suspected murderers was from Medellin, we decided to open an investigation and solve the case. Three men were arrested yesterday. We are coordinating with security officials from Bogota and criminal investigators in Medellin on the legal procedures to be followed. [end recording]

None of the men had identification papers or weapons. According to the authorities, those arrested may be members of a band called the Owls that has been operating in the northeastern part of the city.

'National Survival' Meeting Condemns Violence

PA1003192289 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 10 Mar 89

[Report by Jesus Garzon]

[Text] On a dark and rainy afternoon, all of Colombia condemned violence. Jose Antequera's death and Samper's injuries encouraged the large turnout. The military and police heavily patrolled the site of the meeting. Intense cold and continuous rain did not hamper security measures. Roads were closed while activists were busy hanging banners. People from all walks of life were pushing to gain entrance into the auditorium.

The auditorium slowly filled: Politicians, former presidents, community and labor leaders, and businessmen all gathered there. The beginning was exciting: Yawns, sleepiness, salutes, smiles, and hurrays marked the opening of the meeting.

At about 1800, the hosts began arriving at the meeting called For National Survival. Leftists and right-wingers talked and laughed side by side as the martial notes of the national anthem marked the beginning of the meeting.

First there was applause and then there were speeches condemning violence. After the meeting, all repeated their call for national peace. Only one conclusion was reached during the meeting: There must be reconciliation in the face of violence.

Barco Designates Temporary Attorney General

PA1003195289 Bogota Inravision Television Cadena 1 in Spanish 1738 GMT 10 Mar

[Excerpts] Attorney General Horacio Serpa Uribe has resigned to return to political life. Alfonso Gomez Mendez, the new attorney general, has announced tough actions to combat crime, guerrillas, drug trafficking, and paramilitary activities. The official asked all Colombians to participate in this struggle against crime.

The new attorney general made his first political appearance when the guerrilla priest Camilo Torres arrived in Chafarra. Since that time Gomez Mendez has occupied several positions, including circuit penal court judge and Supreme Court of Justice penal judge. He was sworn in as temporary attorney general in a simple ceremony. [passage omitted]

[Begin Gomez recording] I hope to do my duty in this temporary position that President Barco has assigned to me. I also hope to work so that we can transform Colombia. [end recording]

Serpa was pleased with the naming of Gomez Mendez to the position, probably because both belong to the [Ernesto] Samper faction of the Liberal Party.

Londono Terms Brady Plan 'Encouraging'
PA1203002689 Madrid EFE in Spanish 2248 GMT 11 Mar 89

[Text] Bogota, 11 Mar (EFE)—Colombian Foreign Minister Julio Londono Paredes today characterized the [U.S. Treasury Secretary Nicholas] Brady plan to reduce the Latin American foreign debt as "encouraging and positive." He said that it signifies "a response to the Group of Eight."

Londono Paredes made the statement to private Colombian radio stations in Puerto Ordaz, Venezuela, where he is attending the meeting of the foreign ministers of the Group of Eight.

"The Brady plan is the first positive step by the United States to resolve the problem of the Latin American debt, which exceeds $400 billion," the Colombian foreign minister stated.

U.S. Treasury Secretary Nicholas Brady announced Friday in Washington a proposal seeking to drastically reduce the amount of the Latin American foreign debt, which could entail writing off 30 percent of the total debt and buying back the remainder at market prices.

The Colombian foreign minister stressed that "the plan has positive elements and must be considered an initial response to the heads of state of the Group of Eight," who requested such a plan at their meeting in Punta del Este (Uruguay) last year.

The presidents of Argentina, Brazil, Mexico, Peru, Venezuela, Uruguay, and Colombia urged the U.S. Government on 19 October 1988 to make an official statement on ways to solve the Latin American foreign debt problem.

The Colombian foreign minister said today that the debt "represents for some countries a risk that certainly threatens to destablize democracies" in the region, as the presidents of the Group of Eight noted.

Army, Rebel Groups Clash in Antioquia
PA1103162289 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 9 Mar 89

[Report by Maria Eugenia Salazar on interview with General Jaime Ruiz Barrera; date and place not given—passages within quotation marks recorded]

[Text] Army General Jaime Ruiz Barrera reports that over the past few days the Army has conducted operations in southwestern Antioquia Department during which clashes have occurred between Army troops and Army of National Liberation, ELN, and People's Liberation Army, EPL, guerrillas.

[Ruiz] "Nutibara Battalion troops inflicted several casualties on an ELN squad during a clash in Salgar and proceeded to seize war materiel, explosives, and some very important military intelligence documents. A Nutibara Battalion noncommissioned officer was subsequently killed in a clash in Urrao."

We asked him about reports that the ELN and EPL are insisting that private farms hire [ELN and EPL] workers to benefit them.

[Ruiz] "Two groups, one from the ELN and another from the EPL, have been operating in southwestern Antioquia, specifically in the triangle formed by Carmen de Atrato, Salgar, and Ciudad Bolivar municipalities. These two rebel groups have attempted to intimidate farmers into allowing them to designate a few individuals to work on their farms. It has gotten to the point that rebel cells are demanding that they be allowed to designate butlers to work on the larger farms."

Employment, Oil, Foreign Reserves Increase
PA1203124089 Bogota EL SIGLO in Spanish 8 Mar 89 p 6-B

[Summary] The National Administrative Department of Statistics has reported that the rate of employment increased 2.8 percent in the past 12 months, crude oil production rose to 13.4 million barrels, and the country's foreign reserves showed a net increase of $341 million.

Ecuador

Government 'Satisfaction' With Brady Plan Cited
PA1203010689 Madrid EFE in Spanish 0028 GMT 11 Mar 89

[Text] Quito, 11 Mar (EFE)—The proposal presented by U.S. Treasury Secretary Nicholas Brady regarding the Latin American foreign debt was greeted today by the Ecuadoran Government with "satisfaction."

Gonzalo Ortiz, national secretary of public information, informed EFE of this today in commenting on the change of attitude in U.S. policy regarding the debt problem.

According to Ortiz, the plan "shows that the United States is aware that the situation of the Latin American countries is untenable and that it wants to seek alternatives."

The proposal presented by Brady in Washington on Friday includes the use of International Monetary Fund (IMF) and World Bank resources to reduce the debt and guarantee interest payments by the debtor countries.

In this regard, Ortiz said that the "Brady Plan" is "the explicit agreement by the United States that the debt must be reduced." He added that "the United States had never talked about reducing the amount of the foreign debt and had been opposed to initiatives in that regard."

The secretary of information recalled that the initiatives to reduce the amount of the foreign debt "had always been left up to the private sector and the small secondary banks." He expressed his satisfaction that, in this case, it is "the government itself that has recognized that this amount must be reduced."

Ortiz is the first Ecuadoran Government official to comment on the U.S. debt plan.

Government and Justice Minister Andres Vallejo declined to comment on the plan until making a thorough study of the proposal made by Brady, whom he described as a "revolutionary on the subject."

MPL Group 'Will Not Abandon' Armed Struggle

PA0903145589 Madrid EFE in Spanish 0758 GMT 9 Mar 89

[Text] Quito, 8 Mar (EFE)—The Ecuadoran insurgent group "Free Homeland Montoneros" (MPL) today reiterated that it will not abandon its armed struggle. It made this announcement 1 day after the "Alfaro Lives, Damnit" (AVC) group signed a peace agreement with President Rodrigo Borja's government.

The MPL today expressed its determination to continue its armed struggle and not to follow the AVC's footsteps. AVC leaders and two Ecuadoran ministers yesterday appeared before the media to formalize the peace agreement between the AVC and the government.

In a communique released to EFE, the MPL states that it will now brandish its weapons "with greater force to attain freedom for Ecuadoran society and its people."

The MPL communique calls upon Ecuadoreans "to strengthen the people's power, to prepare to seize political power through organization and struggle until the bourgeoisie and imperialism are defeated, and to promote revolutionary unity in the streets, fields, and mountains."

The MPL accuses the Borja administration of adding to the people's problems by authorizing new increases for basic staples and by "continuing to violate human rights."

According to the MPL, there have been 4 murders, 9 cases of torture, 8 cases of disappearances, and 25 arbitrary arrests since Borja rose to power last 10 August. Meanwhile, the group added, "the actions of paramilitary squads continue with impunity."

The group, which became active on 22 January 1986, said it is very concerned about "the indifference of the institutional left wing, which cannot surmount the parliamentary limits imposed by the system."

Group Visits Colombian Embassy

PA1003192789 Hamburg DPA in Spanish 1838 GMT 10 Mar 89

[Text] Quito, 10 Mar (DPA)—Members of the Ecuadoran Free Homeland Montoneros (MPL) subversive group peacefully entered the Colombian Embassy in Quito today to "speak to the ambassador," hours after the MPL leadership announced its rejection of any peace agreement with the government.

"We will continue our armed struggle until we liberate society," the MPL said in a communique issued early this morning. The MPL was referring to the agreement reached this week by the government and Alfaro Lives, Damnit (AVC), the largest guerrilla group in Ecuador.

Hours later, at noon, an MPL group [words indistinct] the guerrillas announced in telephone calls to the local newspapers. ""We will speak only to the ambassador," they said, without specifying the topic of their proposed talks.

Interior Ministry sources flatly denied that the embassy had been "occupied or taken over," while an embassy spokesman reported that "some young men entered the embassy without causing any problems."

The MPL is a radical splinter group of the AVC, which reached an agreement with the Social Democratic government to lay down its weapons, allowing its members to join the legal political process.

Paraguay

Rodriguez Accepts Presidential Nomination

PY1003134589 Asuncion Domestic Service in Spanish 1110 GMT 10 Mar 89

[Speech by Provisional President Division General Andres Rodriguez at Government Palace Independence Hall accepting the Colorado Party's Presidential candidacy—live]

[Text] Mr Chairman and members of the Colorado Party Executive Board: With joyful and patriotic feelings of a citizen and a soldier, I am greatly honored to receive this highly qualified delegation of honorable members of the Colorado Party.

I see in you the desire of a long-standing powerful association of free men who have played important and long-standing roles in our history.

I see in your decision the generous desire of cooperating with a highly respectful responsibility in fulfilling the objectives of the proclamations announced on 3 February 1989.

On beginning, with the participation of my comrades in arms, a new political era in our country's history, we urge all Paraguayans to participate in the task of restoring an authentic democracy, with constant and unrestricted respect for human dignity, to assure the benefits of true peace. [applause]

The political parties must begin a struggle to establish a climate of friendship among all citizens, a climate that should never be tarnished by hatred, rancor, or selfishness.

If the Colorado Party candidates are elected by an overwhelming majority in the upcoming elections, we surely hope to conduct the government with their valuable support within the climate of a multi-party system, in order to successfully conduct the constitutional and legal amendments that will convey a respectful image of the country in the international community of nations. [applause]

Of course, an impressive number of Colorado Party members have extended their confidence in us. All party members have placed their confidence in our wisdom, behavior, and example, regardless of the fact that honest differences of opinions exist.

The 3 February action was an interpretation of the will of the people, who were hoping for changes and for the country's democratization. This is why the armed forces under my command left their garrisons, not only to restore the Army's dignity and honor, but also the honor of all Paraguayan people whose dignity has been outraged. [applause]

I have never been moved by any ulterior passions or an appetite for power. My decision was inspired only by the happiness of the fatherland and the well-being of all my fellow citizens.

I am thrilled to accept this offer, because I understand it conveys the desire of the great Colorado people and expresses their confidence that I will be able to fulfill the basic principles conveyed in my proclamation issued on 3 February 1989. [applause]

I accept your decision with a spirit of willingness to serve, fully aware of my limitations. But I am also aware that I will always count on your frank cooperation and on your sincere opinions to successfully overcome all obstacles of power.

Deeply moved, I want to reaffirm my gratitude for the honor bestowed upon me. Thinking in the fatherland, I ask the Almighty God to lead Paraguay through the paths of peace and justice. Thank you. [applause]

Peru

Garcia on U.S. Concern for Amazon Region

PY1003030689 Madrid EFE in Spanish
0211 GMT 10 Mar 89

[Text] Lima, 9 Mar (EFE)—During a news conference attended by foreign correspondents, President Alan Garcia said here today that he supports the construction "of not one but five" international highways in the Amazonian region.

According to press reports, the United States pressured Japan not to provide financing for the Brazilian-Peruvian project.

Garcia said he was not aware that U.S. President George Bush had held talks with the Japanese Government at Hirohito's funeral to prevent the financing of the highway.

Some reports said that Bush had held talks with Japanese Prime Minister Noboru Takeshita on the need to preserve the natural environment, especially the Amazon region, which is considered the "world's lungs."

The Peruvian president said: "President Bush is a politician with wide experience. I do not believe he said such a thing. If he did say it, it would be very serious, because he would be intervening in our domestic affairs."

Brazilian President Jose Sarney recently said that the construction of the international highway is "a matter of national sovereignty."

Brazil and Peru are sponsoring a project to build a highway through the Amazon region to join the Brazilian northwestern state of Acre and the Pacific Ocean. Both countries have asked for Japan's financial support for the project.

In practice, the objective is to establish a land corridor between the Atlantic and Pacific Oceans—an old project of the Brazilian military geostrategists.

The Brazilian military ministers supported Sarney's position by announcing that they will not accept "any type of foreign foreign interference in the Amazon region" and that they rejected as "unacceptable" the attempts to link the foreign debt with investments to preserve the Amazon forest.

Garcia indicated that if the United States wants to help preserve the ecological balance, it should "speed up disarmament talks with the Soviet Union." He added that "the best way to protect the Amazon region is to eliminate deadly weapons and nuclear bombs."

Garcia then reiterated: "I do not believe that President Bush has said that, but if he said it, I believe that it is a serious matter and he should give us a concrete opinion."

Garcia defended relations with Brazil by saying: "I believe fortifying economic, social, and geographic relations between the two countries is a national objective." Then he added: "Brazil is one of the world's most important countries, and Peru has wrongly lived in fear of Brazil. Let us hope that not one but five highways are built through the Amazon region."

Sixty percent of Peru's 1.3 million square kilometers lie in the Amazon region. That makes up nearly one-fifth of the entire Amazon basin.

Shining Path Attacks Towns in Huanuco

PY1303150589 Madrid EFE in Spanish 0249 GMT 12 Mar 89

[Text] Lima, 11 Mar (EFE)—It was officially reported today that on 10 March alleged Shining Path members murdered four members of a family in Santa Maria del Valle, Huanuco Department.

After killing the peasant family, the terrorists used explosives against the town hall and other public facilities.

EL COMERCIO reported that alleged Shining Path members also attacked public facilities in Huarpacha, Ambo, Tomayquichua, and Kichki, in Huanuco Department.

Municipal official Sergio Horna was seriously wounded in an explosion in Ambo.

Grenade Thrown at APRA Headquarters

PY1103205489 Madrid EFE in Spanish 2002 GMT 11 Mar 89

[Text] Lima, 11 Mar (EFE)—This morning alleged terrorists threw a grenade at the APRA headquarters, causing some damage and injuring one individual.

The grenade was thrown at the APRA headquarters on Alfonso Ugarte Avenue, and it injured a pedestrian.

The man, identified as Manuel Quiroz, was hit by splinters. He was taken to a nearby hospital.

The Lima Prefecture reported that the bomb was thrown by two individuals from a Toyota and that it caused minor material damage and a slight wound to one individual.

Venezuela

Minister Says Economic Plan To Continue

PA0903172789 Madrid EFE in Spanish 0148 GMT 8 Mar 89

[Text] Caracas, 7 Mar (EFE)—Venezuelan Coordination and Planning Minister Miguel Rodriguez said today that despite last week's massive riots in Venezuela, the Carlos Andres Perez administration does not intend to alter the major points of its emergency economic plan.

Rodriguez was summoned to the Venezuelan parliament by deputies of various political parties to explain the government's position formulated after last week's disturbances which, according to official figures, resulted in 256 deaths attributed to gunshot wounds and an unknown number of deaths attributed to other causes.

Rodriguez said that the Executive Branch is very willing to revise several details of the plan, developed in accordance with IMF recommendations. However, the Executive Branch will not modify the plan's major points.

Rodriguez explained that the economic plan was not the cause of the riots, because "the plan had not yet been implemented." He added that the riots had been caused by an increase in public transportation fares, which, in turn, had been triggered by an increase in gasoline prices. According to Rodriguez, the gasoline price increase was a necessary measure that had to be adopted immediately and independently from the economic plan.

In Rodriguez' opinion, the unrest was caused "by an actual drop in salaries" which had been affecting the majority of Venezuelans for the last 10 years—except in 1986. Rodriguez attributes this salary drop to the "hiring policies" applied in Venezuela, which have depleted the co :ntry's international reserves.

In this regard, Rodriguez recognized that the previous administration, headed by social democrat Jaime Lusinchi, made the serious mistakes of neglecting to confront the problem of the depletion of capital and of paying for imports through the issuance of letters of credit without having the necessary funds. Rodriguez recalled that other previous errors led to a $30 billion capital drain, money the country now needs to support its development process.

He said that a significant portion of the interest on the foreign debt paid by Venezuela is later indirectly received by Venezuelans who have placed their capital abroad. Rodriguez later pointed out that everyone must share the country's problems and that all segments of society must contribute to finding a solution to the crisis. He warned that Venezuela will end up having problems similar to those in other countries in the region unless it readjusts its economic policy.

He defended the government's plan, adding that it will succeed in revitalizing production and controlling inflation as of 1990. Rodriguez denied that the government's economic program is a "shocking plan," adding that, quite to the contrary, it involves gradual planning so that the "cost" of the adjustment will not have to be paid by the lower class.

He added that the government is simultaneously adopting supplementary policies to promote exports and to modify duty, tax, and exchange systems. This, he said, will ensure that the plan is coherent throughout. Rodriguez' statements followed an explanation by Interior Affairs Minister Alejandro Izaguirre on the measures taken by the government during the recent disturbances.

Foreign Ministers Cited on Relations, Gulf
PA1103032489 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 10 Mar 89

[Unattributed report]

[Text] Colombian Foreign Minister Julio Londono Paredes has issued statements at Miraflores Palace—shortly before he left for Puerto Ordaz, where the Group of Eight foreign ministers are scheduled to meet—saying there is currently no agreement for the immediate delimitation of marine and submarine areas.

The Colombian foreign minister emphasized that this must not be the only basis for bilateral relations because Venezuela and Colombia have close ties. He mentioned recent events during which his country sent us approximately 50,000 tons of food. He added that Venezuela would have done the same in a similar situation.

[Begin Londono recording] The delimitation of marine and submarine areas in the Gulf of Venezuela is not the basic issue in the two countries' relations. There are much more important topics right now that must be discussed so we may act together. Therefore, I do not think Colombian-Venezuelan relations can be based on one single issue. [end recording] [new graf]

Likewise, Venezuelan Foreign Minister Enrique Tejera Paris reviewed Londono Paredes' visit and described it as satisfactory. He mentioned prevailing expectations and possible agreements that could be achieved in Puerto Ordaz.

[Begin Tejera recording] I was honored to have Colombian Foreign Minister Julio Londono and Peruvian Foreign Minister Guillermo Larco Cox accompany me on my trip from Quito, where we attended the Amazon Pact meeting. We will now meet with the other Group of Seven [as heard] foreign ministers in Ciudad Guayana. [end recording]

President Carlos Andres Perez is scheduled to arrive in Puerto Ordaz tomorrow afternoon. Once the event is officially opened, the president will host a dinner to honor the foreign ministers.

Perez Letter to Chamber of Commerce Cited
PA0903193689 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 9 Mar 89

[Letter sent by President Carlos Andres Perez to the Federation of Chambers of Commerce and Industry on 8 March]

[Text] Miraflores, 8 Mar 1989
Hugo Fonseca Viso, president of the Federation of Chambers of Commerce and Industry
Caracas
Dear Friend:

I will not make the mistake of getting involved in an absurd and disastrous controversy such as could result from the public correspondence you have sent me. However, as president of Venezuela and as a Venezuelan who has devoted his entire life to the struggle for democracy, social justice, and the equitable distribution of wealth and well-being, I must respond to the statements you addressed to me. I disagree with substantial portions of your statements, but I will not cast doubt on the good faith and spontaneous sincerity with which they were made.

The existence of wealthy individuals in Venezuela is not a source of pride for me, but I do not consider their existence objectionable, nor do I intend to confront them or insult them, much less accuse them of having promoted incidents such as the ones Caracas experienced during that dramatic 1st week of March. However, I do feel deeply anguished to see there are poor people, so many poor people, in Venezuela, and that the gap between the wealthy and the poor is widening. In other words, the unjust distribution of wealth is becoming increasingly serious.

Had you taken the time to read my statements to foreign reporters, you would have noticed I told them the incidents on 27 and 28 February and during the 1st few days of March had been the result of a social outburst, a protest against wealth, over the growing poverty of various sectors of Venezuela's population, which affected the owners of small businesses in the neighborhoods. Those were my exact words, which were not intended to offend the wealthy but to underscore the serious social conflict that has taken shape within our society and the responsibilities of the political parties, political leaders, government, and some economic sectors that defend certain privileges as acquired rights and intend to continue living as if nothing were happening in Venezuela. I concluded by saying I would not apply specific responsibilities to anyone. I said that despite the defects, vices, and corruption in our system and society, Venezuelan democracy has been very positive.

This was the import of my words, which scandalized some people because they thought I had dared to express hatred for the altar of wealth. No, I do not pray at that altar nor do I include myself among those who curse it. I believe in and am struggling for a society where—as the phrase goes—the wealthy are not so wealthy, and the poor not so poor. I do not believe in class struggles, but I do believe it is dangerous to deny poverty. Overall, my assessment for the foreign press—which was sincere, objective, and free of all treachery—concluded that my main concern is that we are all to be blamed for the growing disbelief in the democratic regimes' ability to confront critical poverty and social injustice. In addition to our own mistakes, I blamed the international economic system, which has acted irresponsibly in suggesting how the developing countries should pay their debts, and I blamed the IMF's mechanisms.

Finally, a word of praise for our businessmen and workers to counterbalance the import of my statements regarding the wealthy and wealth. A worldwide phenomenon is taking place within Venezuela's economic sectors: These sectors have accepted the facts, yet they are unwilling to accept the sacrifices imposed on them. I must say, nevertheless, the business leaders have been very receptive. Had we been able to raise the private sector's salaries at my government's request through an agreement between the businessmen and employees, it would have implied a very good understanding of our current situation.

In conclusion, my friend Fonseca Viso, I must say I am very pleased and encouraged by the attitude, understanding, and cooperation of all the business sectors in the country after the dramatic incidents we experienced.

Cordially,
Carlos Andres Perez

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